PROSPECTUS
May 22, 1985
062202

COMPREHENSIVE REPORT
ON THE
SKUKUM CREEK PROPERTY
OF
OMNI RESOURCES INCORPORATED,
WHEATON RIVER AREA
WHITEHORSE MINING DIVISION, Y.T.

FOR

OMNI RESOURCES INC.
706 - 595 Howe Street
Vancouver, B.C.

Vancouver, B.C.
March 8, 1985

B. TAYLOR, P.Eng.

G. A. NOEL & ASSOCIATES INC.
CONSULTING GEOLOGISTS

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ILLUSTRATIONS

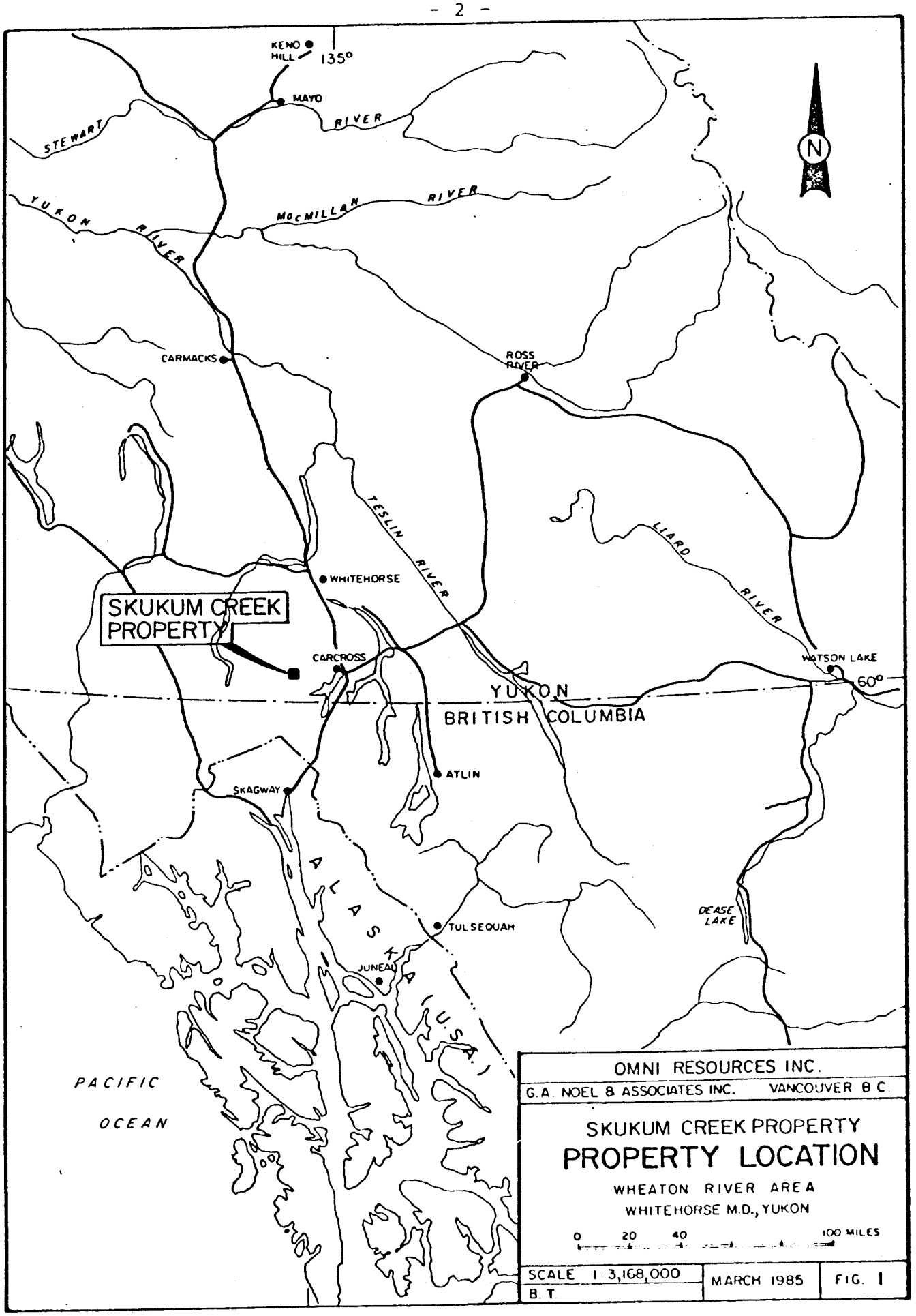
SUMMARY

The SKUKUM CREEK group of claims lie 65 kilometres south-westerly from Whitehorse, Y.T. There are 44 contiguous and overlapping claims. They are in the process of being transferred to Omni Resources, but at the time of writing are still recorded in various other names.

The property known initially as the Reid showing, has been explored intermittently by various groups since its discovery in 1922. Silver and gold are the metals of interest. Small amounts of antimony, lead and zinc are the accompanying metals. Silver, gold and antimony soil anomalies are present. The known showings occur in a shear zone within the andesitic roof pendant in the Coast Intrusive Complex. The adits, trenches and soil samples indicate the mineral is discontinuous, and the tenor erratic. A composite grab sample taken from one trench by Island Mining is reported to have assayed 0.184 oz/ton gold, 50.95 oz/ton Ag. These values are considerably higher than usual. No reserves are inferred.

A small but high grade gold-silver deposit on the neighbouring Mount Skukum Gold Mine, has renewed interest in the property. An extension of their deposit, or structure, onto Skukum Creek ground is quite possible, and been unrecognized because of its lack of sulphide mineralization.

A two stage program has been proposed to further explore the property. The first stage consists of geological mapping, prospecting, soil and rock sampling, plus 500 metres of drilling. The second stage, if warranted by the first stage results, would consist of 1000 metres diamond drilling and some trenching. The total estimated cost is $237,500.


KENO HILL
135°
MAYO
RIVER
STEWART
YUKON RIVER
MacMILLAN RIVER
CARMACKS
ROSS RIVER
TESLIN RIVER
LIARD RIVER
WHITEHORSE
SKUKUM CREEK PROPERTY
CARCROSS
WATSON LAKE
60°
YUKON
BRITISH COLUMBIA
ATLIN
SKAGWAY
ALASKA (U.S.A.)
TULSEQUAH
JUNEAU
DEASE LAKE
PACIFIC
OCEAN
N
OMNI RESOURCES INC.
G.A. NOEL & ASSOCIATES INC. VANCOUVER B.C.
SKUKUM CREEK PROPERTY
PROPERTY LOCATION
WHEATON RIVER AREA
WHITEHORSE M.D., YUKON
0 20 40 100 MILES
SCALE 1:3,168,000
B.T.
MARCH 1985
FIG. 1

INTRODUCTION

This report has been prepared at the request of OMNI RESOURCES INC. The writer, with two helpers, worked on the WH claims, a portion of the present Skukum Creek property, for eleven days in 1974 while employed by El Paso Mining and Milling Company. Snow banks limited the coverage somewhat. The work consisted of laying out a grid, mapping geology and taking soil samples. Most of the subject matter herein contained is taken from the subsequent report on the claims. The ERN and TREE claims were added to the Skukum Creek package in 1984.

LOCATION AND ACCESS

The Skukum Creek claim group is located on Mount Reid, between Berney Creek and Skukum Creek, a tributary to the Wheaton River. The group is shown on the N.T.S. 105 D/3 mineral claim map. The co-ordinates are 60° 10' N Latitude, 135° 24' W Longitude.

Access to the property from Whitehorse, some 65 kilometres to the north-northeast, is from the Alaska Highway, along the Carcross Highway to the Annie Lake road turn-off. The Wheaton River is reached about 25 kilometres along the 50 kilometre dirt road leading to the property. Alternately helicopters, which are available at Whitehorse, may be used to reach the property and in moving drills about.

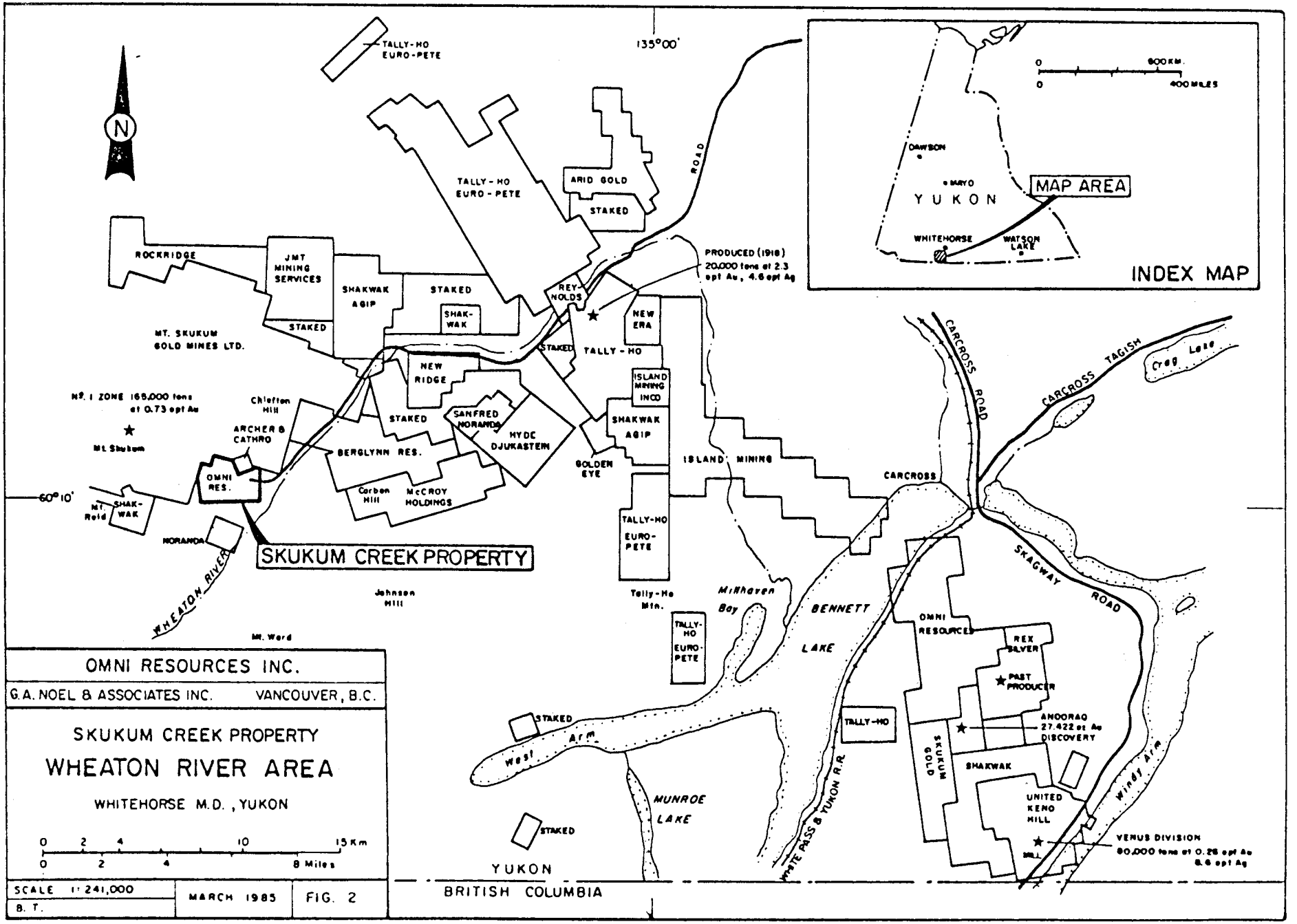
PROPERTY AND OWNERSHIP

The property consists of fourty-four contiguous, often over-lapping mineral claims, recorded at the Mining Records Office of the Indian and Northern Affairs Department in Whitehorse, Y.T. The following information was obtained from the above office on March 8th, 1985. The claims are all in the process of being transferred to Omni Resources.

Claim Name	Record No.	Expiry Date	Registered Owner
WH 1-8 Incl.	Y75547-554	Sept.22,1985	Ferdinand Holcapek
ERN 1-8 "	YA81543-550	April 12,1985	Norman Graham
ERN 9-15 "	YA81551-557	April 12, 1985	Kevin McCrory
ERN 16-27 "	YA85503-514	Oct. 1, 1985	Skukum Resources Inc.
ERN 30-33 "	YA85515-518	Oct. 1, 1985	Donna Chin
TREE 1-5 Fr."	YA82961-965	Sept. 4, 1985	Skukum Resources Inc.

The claims are shown on Figure 3, as they are plotted on the Mineral Map Sheet 105D-3 (Wheaton River Sheet) by the Lands Division, Northern Administration and Lands Branch, Department of Northern Affairs and National Resources.

The area covered is approximately 737 hectares (1821 acres) because of over-lapping claims both internally and externally. A legal survey will be necessary to properly resolve the boundaries of the property.



OMNI RESOURCES INC.

G.A. NOEL & ASSOCIATES INC. VANCOUVER, B.C.

SKUKUM CREEK PROPERTY

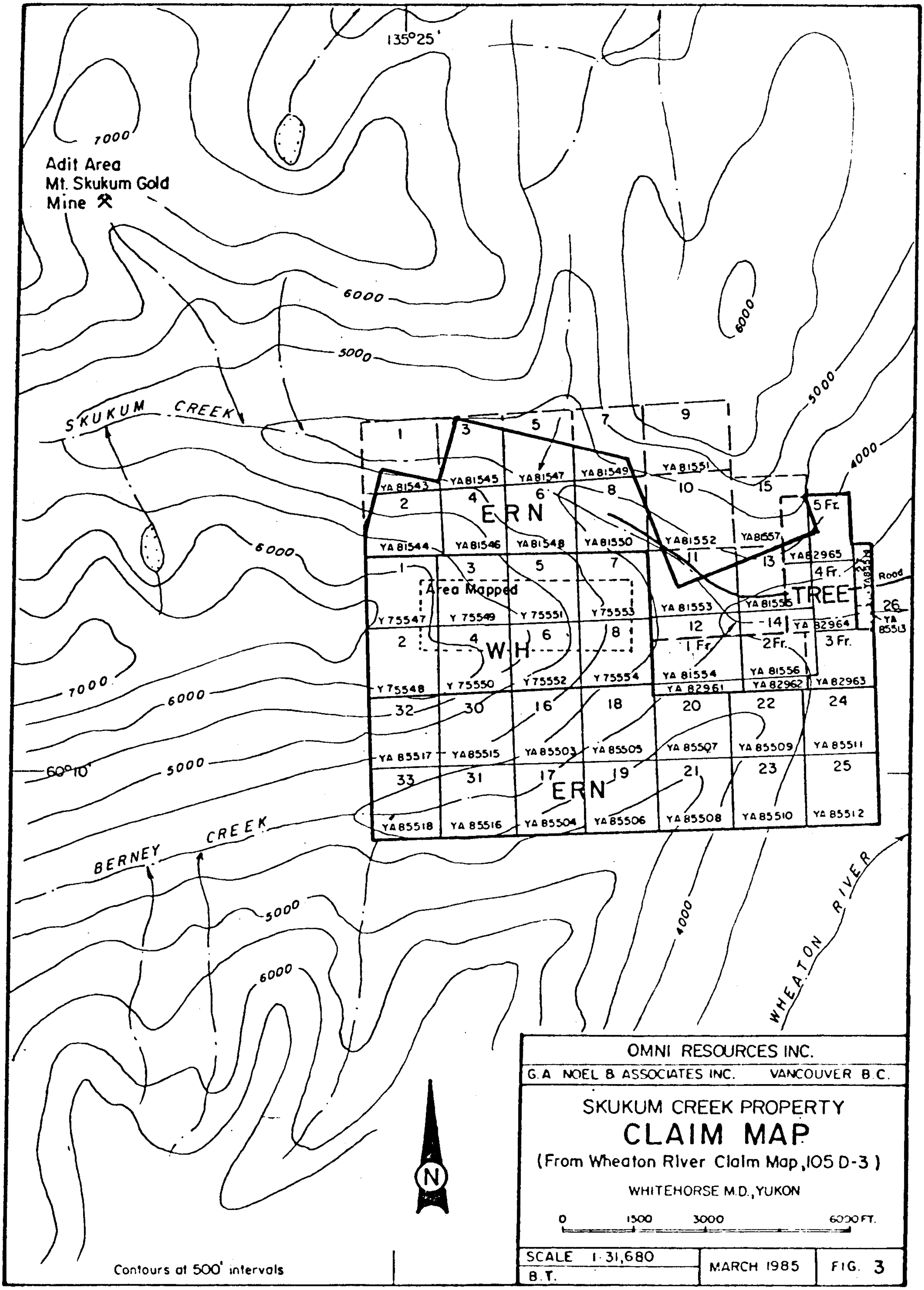
WHEATON RIVER AREA

WHITEHORSE M.D., YUKON

0 2 4 10 15 Km

0 2 4 8 Miles

SCALE 1:241,000	MARCH 1985	FIG. 2
B. T.		


135°25'
7000
Adit Area
Mt. Skukum Gold
Mine
6000
5000
SKUKUM CREEK
6000
7000
6000
5000
60°10'
BERNEY CREEK
5000
6000
4000
5000
4000
WHEATON RIVER
Road
ERN
WH
ERN
TREE
Area Mapped
YA 81543
YA 81545
YA 81547
YA 81549
YA 81551
YA 81544
YA 81546
YA 81548
YA 81550
YA 81552
Y 75547
Y 75549
Y 75551
Y 75553
YA 81553
Y 75548
Y 75550
Y 75552
Y 75554
YA 81554
YA 81556
YA 82961
YA 82962
YA 82963
YA 82964
YA 82965
YA 85517
YA 85515
YA 85503
YA 85505
YA 85507
YA 85509
YA 85511
YA 85518
YA 85516
YA 85504
YA 85506
YA 85508
YA 85510
YA 85512
YA 85513
1 Fr.
2 Fr.
3 Fr.
4 Fr.
5 Fr.
N
Contours at 500' intervals
OMNI RESOURCES INC.
G.A. NOEL & ASSOCIATES INC. VANCOUVER B.C.
SKUKUM CREEK PROPERTY
CLAIM MAP
(From Wheaton River Claim Map, 105 D-3)
WHITEHORSE M.D., YUKON
0 1500 3000 6000 FT.
SCALE 1:31,680
B.T.
MARCH 1985
FIG. 3

TOPOGRAPHY, VEGETATION AND CLIMATE

Elevations on the WH mineral claim group vary from 1050 metres to 2000 metres ASL. Tree line is approximately at 1225 metres elevation. Cliffs and steep, deep gullies cross the property. The central western end of the property is gently sloping, and covered with felsenmeer.

Vegetation below the timberline is essentially dwarfed spruce, birch and willows. Above timberline, grass and alpine vegetation prevails.

Precipitation is low during the summer, with occasional 30 degrees Celsius temperature highs. Snow flurries and frost at night can be expected at any time. Snow cover is not heavy, but lasts from late October to late June. Winter temperatures may drop to -50 degree Celsius.

HISTORY

The ground was initially staked in 1922. It was known as the Mount Reid property. Considerable rock trenching and 12 metres of adit were driven at that time. More rock work, as well as the building of a trail, by J. Stenbraton followed in 1930-31. He restaked the ground several times, and eventually drove a 30 metre adit. Yukon Antimony Corporation Limited built a tote road to the showings and did some bulldozer trenching in 1965. The WH 1-8 claims were staked by W. Kuhn in 1973. Geologic mapping and soil sampling were carried out by El Paso Mining and Milling in 1974. Con-Am Resources acquired the ground and did assessment work in 1977, essentially it consisted of additional rock sampling. Island Mining reworked the trenches and re-evaluated the claims in 1981.

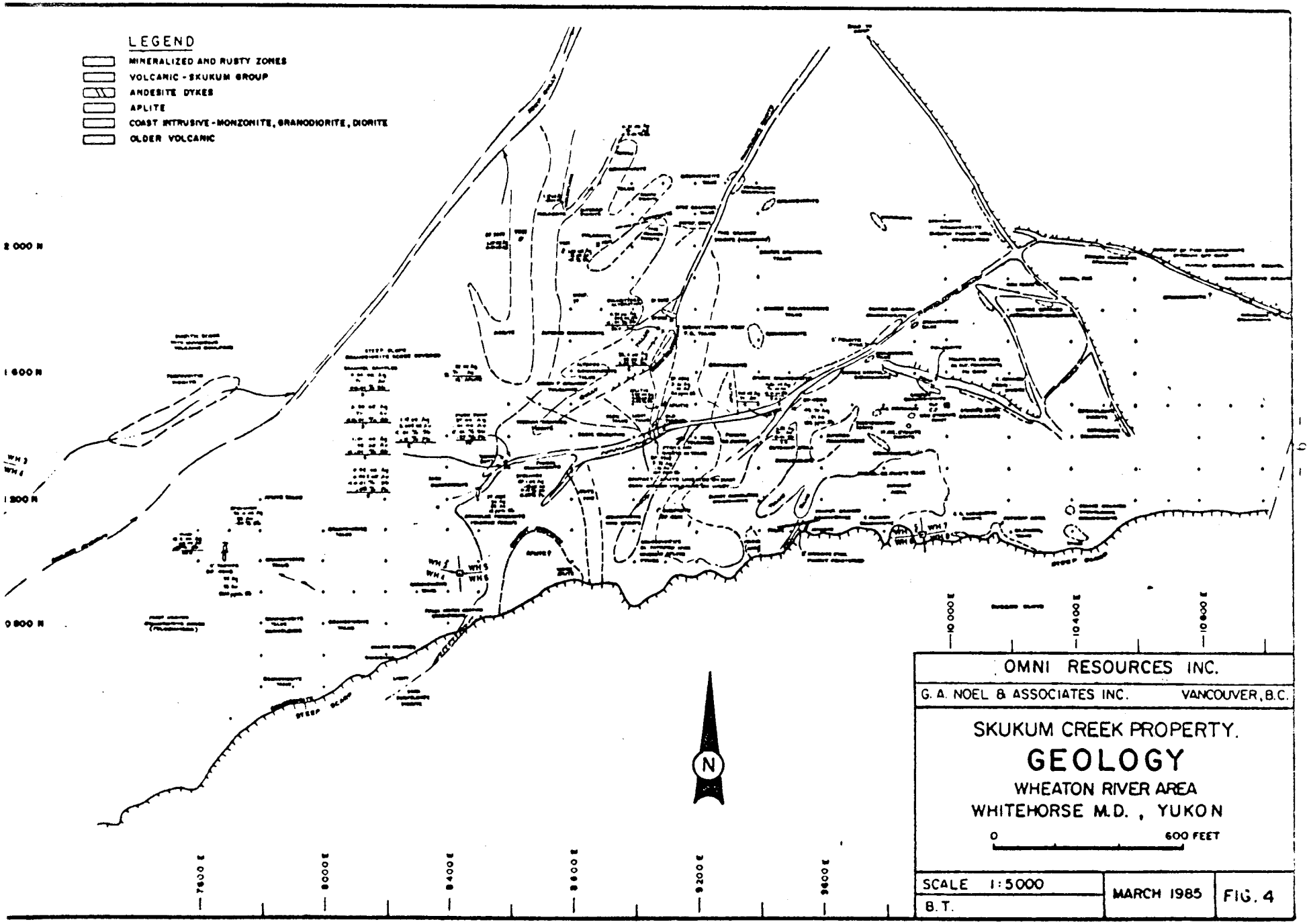
The ERN and TREE claims were added in 1984 to increase the area covered, when nearby showings responded to additional exploration work.

GEOLOGY

The Skukum Creek property is essentially underlain by granodiorite of the Coast Intrusive Complex. Composition varies from diorite to quartz monzonite. Contacts are indefinite. In the centre of the claim group, a roof pendant of andesite bordered on one side by an aplite, and cut by a westerly trenching fault, appears to be a host for mineralization.

The western part of the property is underlain by andesites, possibly related to the Skukum Group volcanics of Tertiary Age. Skukum Creek appears to follow the Skukum Group volcanic - Coast Intrusive contact.

The claim group lies within the Bennett Lake Cauldron Subsidence Complex.


LEGEND
MINERALIZED AND RUSTY ZONES
VOLCANIC - SKUKUM GROUP
ANDESITE DYKES
APLITE
COAST INTRUSIVE - MONZONITE, GRANODIORITE, DIORITE
OLDER VOLCANIC
2 000 N
1 600 N
1 200 N
0 800 N
7800 E
8000 E
8400 E
8800 E
9200 E
9600 E
10 000 E
10 400 E
10 800 E
N
OMNI RESOURCES INC.
G. A. NOEL & ASSOCIATES INC. VANCOUVER, B.C.
SKUKUM CREEK PROPERTY.
GEOLOGY
WHEATON RIVER AREA
WHITEHORSE M.D., YUKON
0 600 FEET
SCALE 1:5000
B.T.
MARCH 1985
FIG. 4

MINERALIZATION

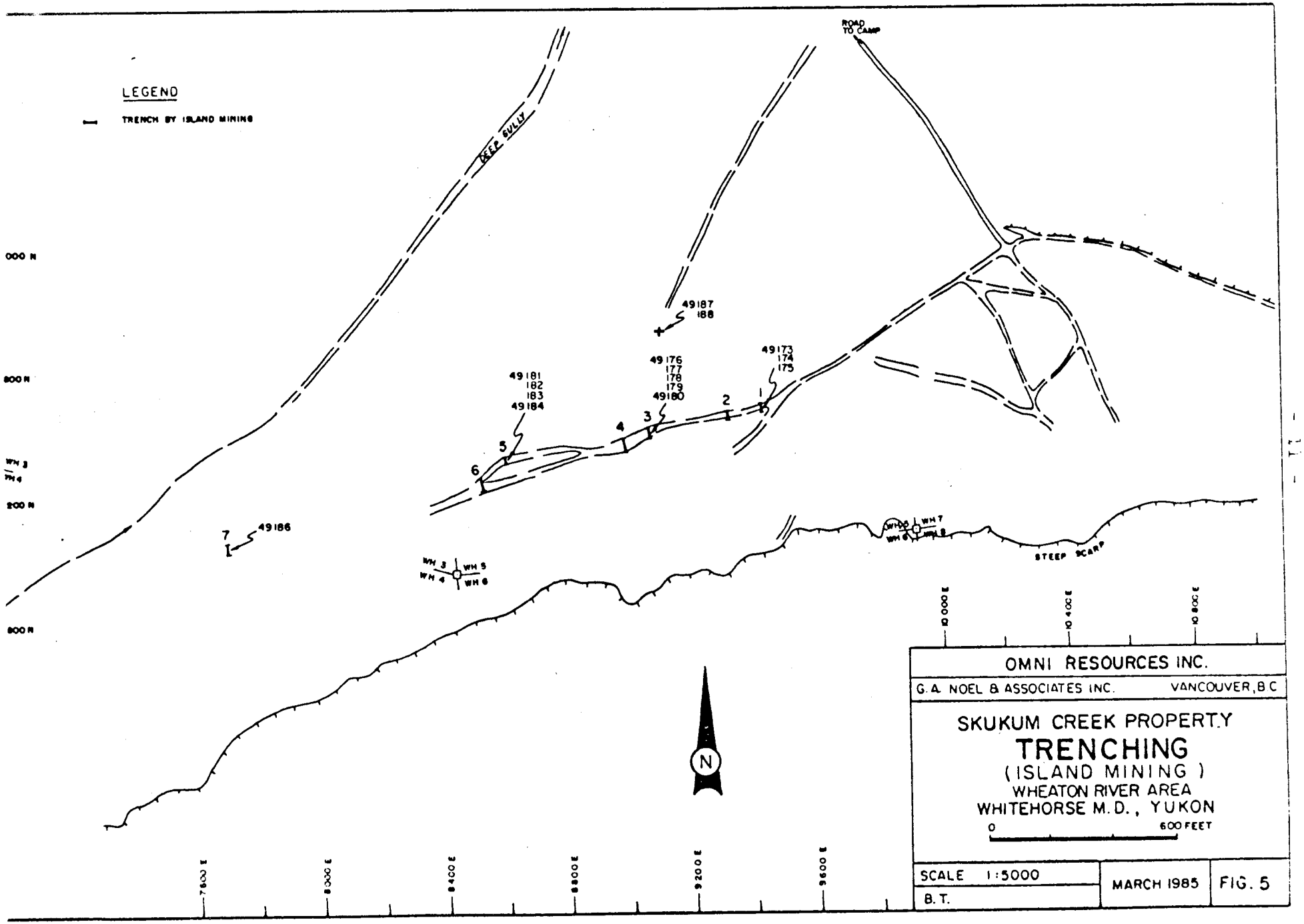
The main mineralized zone on the WH claim follows a pronounced gully trending at an azimuth of 080 degree True . Most of the physical work on the ground had been done here. Talus from the side slopes and bluffs is funnelled through this gully, and hence all trenches and adits are covered by talus in short periods of time. On sampling, values ranged from trace up to 0.088 oz/ton Au, 2.11 oz/ton Ag over 1.3 metres width at the main adit; 0.30 oz/ton Au, 1.01 oz/ton Ag over 0.9 metres on Trench 5; and 0.200 oz/ton Au, 15.06 oz/ton Ag in a gully north of the adit. Specimen material assayed 0.48 oz/ton Au, 27.01 oz/ton Ag in the vicinity of Trench 5. The complete sample results are compiled under Trenching, and locations are shown on Figure 5.

The host rock is altered and sheared andesite. Mineralization is sparse, and consists of minor quartz, calcite, galena, stibnite and pyrite. Limonite and a yellow antimony oxide are relatively abundant as films on fractures.

In 1982-84 the AGIB-ERICKSON property (now known as MOUNT SKUKUM GOLD MINES), which adjoins the Skukum Creek ground to the west and north, has been producing very good gold values in a barren looking quartz-calcite vein type complex. It is currently (1985) being investigated underground after a diamond drilling program indicated ore reserves of 165,000 tons of 0.73 oz/ton gold. It is quite possible that similar material exists on the Skukum Creek ground, providing a second source for gold and silver soil anomalies, possibly including some of the ones already found.

TRENCHING

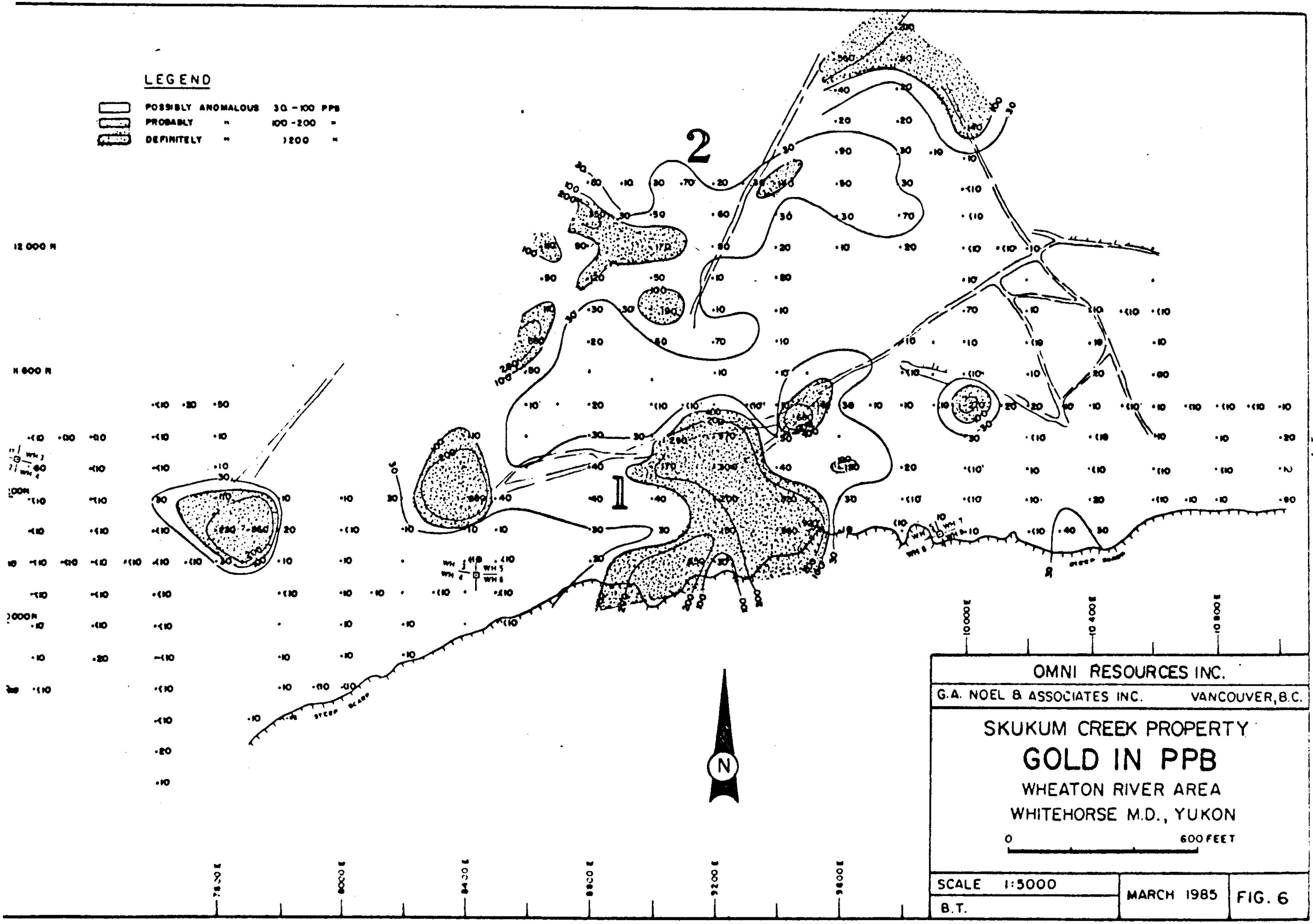
The following sample results were taken from the Geology Map prepared by El Paso Mining and Milling Company in 1974,

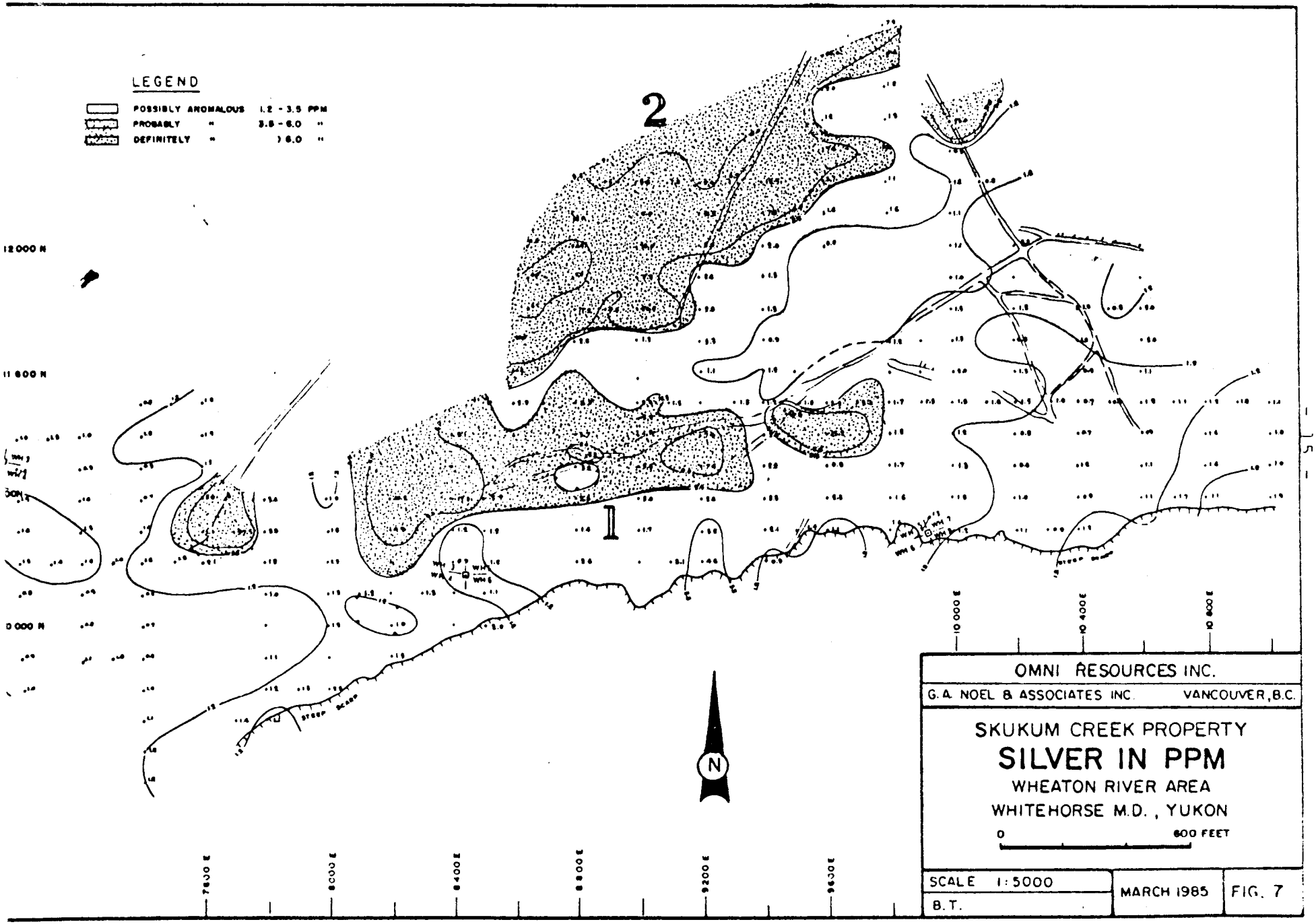

LEGEND
TRENCH BY ISLAND MINING
DEEP GULLY
ROAD TO CAMP
000 N
800 N
200 N
800 N
49187
188
49176
177
178
179
49180
49181
182
183
49184
49173
174
175
49186
1
2
3
4
5
6
7
WH 3
WH 4
WH 5
WH 6
WH 7
WH 8
STEEP SCARP
7600 E
8000 E
8400 E
8800 E
9200 E
9600 E
10 000 E
10 400 E
10 800 E
N
OMNI RESOURCES INC.
G.A. NOEL & ASSOCIATES INC. VANCOUVER, B.C.
SKUKUM CREEK PROPERTY
TRENCHING
(ISLAND MINING)
WHEATON RIVER AREA
WHITEHORSE M.D., YUKON
0 600 FEET
SCALE 1:5000
B.T.
MARCH 1985
FIG. 5

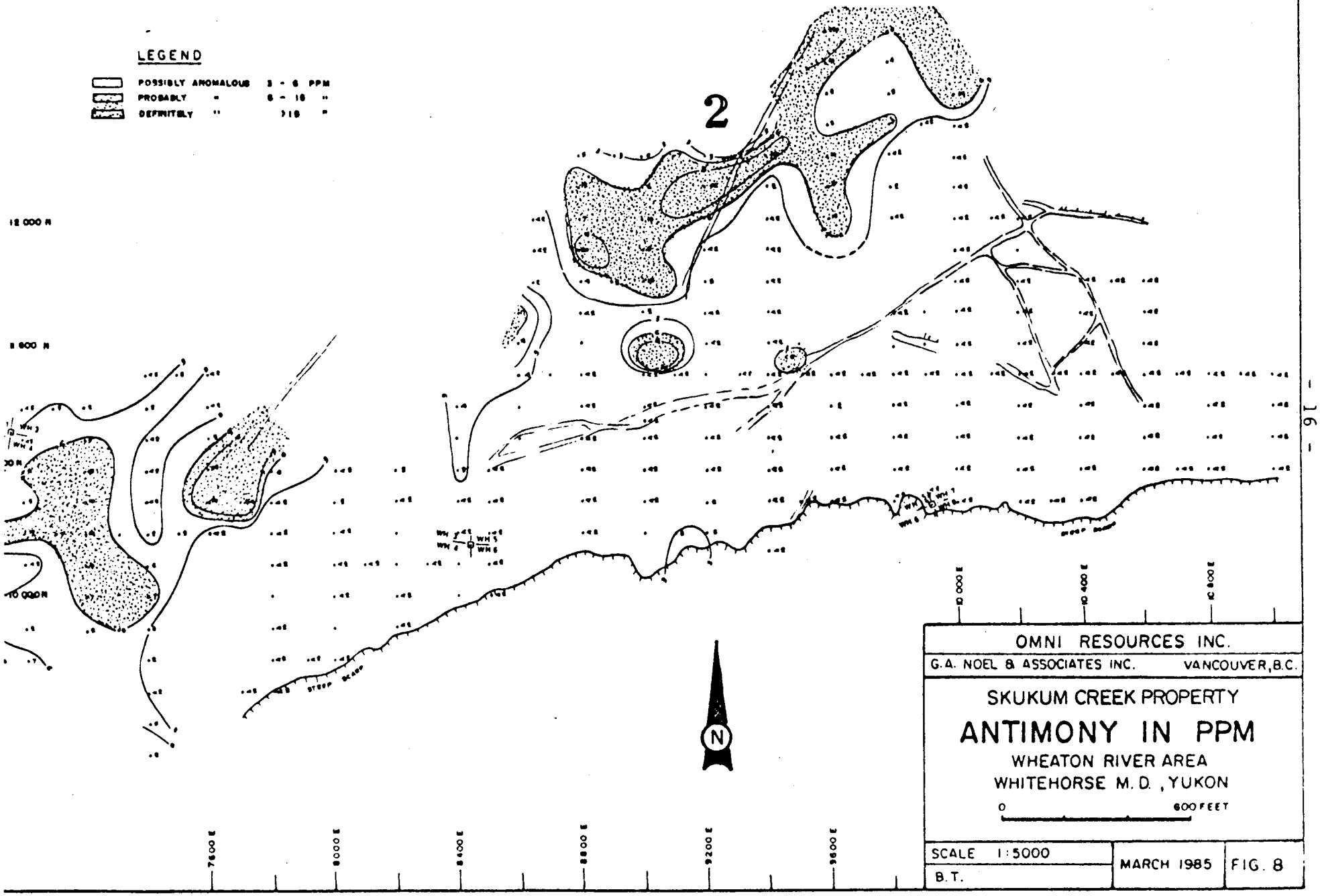
and from Island Mining sampling in 1981. The trenches themselves had been opened up by earlier operators and only cleaned out for resampling by El Paso Mining and Milling and again in 1981 by Island Mining. The two sets of sample results are presented for purposes of comparison.

Sample #	Width ft	Pb%	Zn%	Sb%	Ag oz/ton	Au oz/ton	Location
EP 4206	-	-	-	-	49.70	0.01	SE-Tr. 1
	5.00ft.	-	-	0.01	0.20	Tr.	E of Tr.1
	5.00ft.	-	-	-	0.16	Tr.	"
	2.50ft.	-	-	0.01	0.32	Tr.	"
Island Mining Samples:							
49173	1.50m				.01	.003	
49174	2.00m				.02	.003	
49175	2.00m				.03	.003	
* *							
EP 4202	-	-	-	-	3.76	0.10	Adit
	Float Chip	3.6	3.3	-	15.10	0.30	Adit
	"	0.5	0.2	-	2.20	0.05	Adit
Island Mining Samples:							
49176	.80m				.01	.003	
49177	.60m				.67	.030	
49178	1.30m				2.11	.088	
49179	.80m				1.22	.040	
49180	.60m				.16	.003	
* *							
EP 4203	Float Chip	-	-	-	3.01	0.16	HW - Adit
	-	-	-	0.05	1.97	0.05	Aplite dy.
	3.00ft.	-	-	0.01	0.24	Tr.	Tr. 5
	3.00ft.	-	-	0.01	0.20	Tr.	"
	3.00ft.	-	-	0.01	1.01	0.30	"
	5.00ft.	0.8	-	0.01	0.52	0.003	"
	2.00ft.	0.1	-	0.01	1.12	0.005	"

Sample #	Width ft	Pb%	Zn%	Sb%	Ag oz/ton	Au oz/ton	Location
EP 4203- cont'd:							
	13.00ft	0.27	-	0.01	0.87	0.01	Muck pile
		6.97	-	0.17	27.01	0.48	Specimen
	Float chip	3.00	-	2.10	15.40	0.20	"
	"	0.50	-	0.30	4.60	0.03	
Island Mining samples:							
49181	2.40m				.28	.003	
49181	.80m				3.27	.084	
49183	Selected grab				16.36	.280	
49184	1.00m				.51	.008	
49185	.50m				.89	.122	
* *							
EP 4204	_	-	-	-	0.90	0.05	Tr. #6
	Float chip	1.70	0.20	-	48.70	0.23	Tr. #7
	Specimen	-	-	0.60	52.00	0.28	"
	2.50ft.	-	-	0.23	12.50	0.06	" Muck
EP 4205	5.00ft.	-	-	0.56	0.93	0.25	Tr. #7
Island Mining sample:							
49186	composite grab				50.95	.184	
* *							
Gully North of Adit							
-	5.00ft.	-	-	1.00	36.04	0.38	Zone in Gully
-	30.00ft.	-	-	0.01	0.24	0.03	" "
Island Mining Sample:							
49187	Grab				0.88	.003	
49188	5.00m				15.06	.200	
* *							
Samples collected within north western anomalies from veins.							
EP 3668	-	-	-	-	1.17	0.01	Vein material
-	-	-	-	0.01	1.25	0.15	Vein Material
-	-	-	-	-	1.17	0.10	Vein material
-	-	-	-	0.01	0.31	Tr.	Gossan


LEGEND
POSSIBLY ANOMALOUS 30 - 100 PPB
PROBABLY " 100 - 200 "
DEFINITELY ")200 "
2
1
12 000 N
OMNI RESOURCES INC.
G.A. NOEL & ASSOCIATES INC. VANCOUVER, B.C.
SKUKUM CREEK PROPERTY
GOLD IN PPB
WHEATON RIVER AREA
WHITEHORSE M.D., YUKON
0 600 FEET
SCALE 1:5000
B.T.
MARCH 1985
FIG. 6
N


LEGEND
POSSIBLY ANOMALOUS 1.2 - 3.5 PPM
PROBABLY " 3.5 - 6.0 "
DEFINITELY ") 6.0 "
2
1
12 000 N
11 600 N
11 000 N
10 000 E
10 400 E
10 800 E
7600 E
8000 E
8400 E
8800 E
9200 E
9600 E
N
OMNI RESOURCES INC.
G.A. NOEL & ASSOCIATES INC. VANCOUVER, B.C.
SKUKUM CREEK PROPERTY
SILVER IN PPM
WHEATON RIVER AREA
WHITEHORSE M.D., YUKON
0 600 FEET
SCALE 1:5000
B.T.
MARCH 1985
FIG. 7


LEGEND
POSSIBLY AROMALOUS 3 - 6 PPM
PROBABLY " 6 - 18 "
DEFINITELY " >18 "
2
12 000 N
8 600 N
10 000 N
7600 E
8000 E
8400 E
8800 E
9200 E
9600 E
10 000 E
10 400 E
10 800 E
N
OMNI RESOURCES INC.
G.A. NOEL & ASSOCIATES INC. VANCOUVER, B.C.
SKUKUM CREEK PROPERTY
ANTIMONY IN PPM
WHEATON RIVER AREA
WHITEHORSE M.D., YUKON
0 600 FEET
SCALE 1:5000
B.T.
MARCH 1985
FIG. 8

SOIL GEOCHEMISTRY

During 1974 El Paso Mining and Milling Company did a geochemical soil sampling program on a part of the area covered by the WH mineral claims. A total of 203 samples were taken, on a line spacing of 30 metres, for a total of 19.5 line kilometres. Deep snow banks limited the survey at the higher elevations.

All samples were analyzed for gold (ppb), silver (ppm) and antimony (ppm). The results are plotted and contoured as Figures 6, 7 and 8.

The sampling outlined 2 broad, erratic anomalous areas, the first following the main showing trenched in the N80^{o}E trending gully, from trench #1 to trench #7. The second anomalous area trending N45^{o}E, joining the first anomaly in the vicinity of trench #7.

Anomaly #1

The areas of high gold values are outlined, which conform fairly well with silver and antimony anomalies. One anomalous gold area extends from the adit area south towards Berney Creek. This latter area also covers an exposure of felsite dyke. This could be significant because of possible similarities to the Agip-Henderson deposit .

Anomaly #2

This is essentially a silver anomaly with connecting high values in antimony, and several small scattered high values in gold. Some of these values could be sourced by barren appearing aplite and/or quartz-calcite stringers, that were not sampled.

DISCUSSION

The known mineralization on the property appears to be discontinuous and its tenor is erratic. The gold within geochemical anomaly #1 appears to be associated with aplite and felsite dykes in the vicinity of a sheared zone. All values of interest lie at elevations above the lowest trench. The geochemical anomalies can be explained by the known mineralization, except in the vicinity of the most westerly trench and the gold zone south of the adit area. These are prime areas for more detailed inspection and rock sampling.

In addition the possibilities opened up by the Agip-Henderson deposit are significant The best way to search for gold and silver in the Wheaton area is by detailed soil and rock sampling in conjunction with normal geologic mapping. Thus there are two distinct types of mineralization. Only one type has been cursorily explored.

CONCLUSION

The presence of ore grade gold and silver mineralization on the property has been demonstrated. The character of gold showing on the neighboring Agip-Henderson ground serves to open possibilities of gold mineralization with little or no accompanying sulphide mineralization. As a consequence, prospecting, mapping and soil sampling should be extended to the west and north of the present soil anomalies, in the search for drillable targets. Reconnaissance prospecting should be carried out over the remaining unexplored areas of the property. The known showings hold promise, especially so if a second structure can be traced into it.

RECOMMENDATIONS

Previous recommendations for further exploration on this property by the writer have stressed diamond drilling of

the known showings. In view of the success achieved on the neighboring Agip-Erickson ground, it is suggested that emphasis be placed on detailed geological mapping, soil sampling and rock sampling of the property to the west and north of the present showings in order to see if similar material exists on Mount Skukum ground. Reconnaissance mapping and soil sampling over the remaining, unexplored portions of the property is justified. Trenching and diamond drilling follow-up work would follow if encouraging results were attained. Diamond drilling of the known showings is desirable, but may be deferred until the extended geologic mapping and soil sampling is completed to determine where the best initial drill targets are. Extension of the drilling program would depend on a favourable assessment of the initial results.

ESTIMATED COSTS

Stage I a - (Surface Exploration)

Grid marking, geological mapping, soil sampling (2 men for 20 days)	$ 4,000
Geological mapping,prospecting, reporting (geologist 25 days)	9,000
Sample analysis (1000 samples @10.00) (100 samples @15.00)	11,500
Accomodation	5,000
Camp cost (food mainly)	2,600.
Mobilization and demobilization vehicle rental,	3,500
	35,600
contingency	4,400
Total	$40,000

(Estimated field time 3 weeks)

Stage I b - (Initial Diamond Drilling)

Diamond drilling, trenching, tote trail making, drill site preparation	37,500
Assaying 100 samples @ 15.00	1,500
Engineering	6,000
Camp Costs	3,000
Trailer Rental and set up costs	5,000
Bulldozer	5,000
Mobilization and Demob	6,000
	64,000
Contingencies @15%	8,500
	$ 72,500
(Estimated overall drilling time 2 weeks)	
Total Stage I and I b	$112,500

Stage II - (Extended diamond drilling)
This assumes that this program is reasonably continuous with Stage I. a

Diamond Drilling 1000 metres @$75/metre	$ 75,000
Assaying, 200 samples @ $15	3,000
Core storage, splitting, etc.	6,000
Engineering	9,000
Camp cost, plus food	4,000
Trailer Rental	5,000
Bulldozer	5,000
Vehicle Rental	2,000
	109,000
Contingency	16,000
Total	$125,000
Overall Total	$237,500

Respectfully submitted

B. Taylor

B. TAYLOR, P.Eng.

REFERENCES

1. Holcapek F., 1981. Evaluation of the WH 1-8 Mineral Claims, for Island Mining (private report).

2. El Paso Mining and Milling Company, 1974 Assessment Report Geology and Geochemistry of the WH 1-8 Mineral Claims.

3. DIAND, Mining Recorders Office, Whitehorse, Y.T. Con-Am Application for a Certificate of Work, Sept. 1977.

4. Northern Cordillera Mineral Inventory - 1974 - Archer Cathro & Associates Ltd., NTS 105D, occurrence No. 22.

5. G.S.C. open file 164, The Bennett Lake Cauldron Subsidence Complex, British Columbia and Yukon Territory, by M.B. Lambert.

6. G.S.C. Memoir 218, pp 12-13

7. G.S.C. Summary Report 1922, pp 7-8.

8. The Northern Miner, Volume 70, No. 34, page A1-2.