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Maegold south

Story 3, 4, 7

NEW

104B/9W, 10E, 16W

SUPERINTENDENT OF BROKERS AND VANCOUVER STOCK EXCHANGE

MINISTRY OF ENERGY, MINES
and PETROLEUM RESOURCES

STATEMENT OF MATERIAL FACTS #34/90

Rec'd JUL 6 1990

EFFECTIVE DATE: JUNE 7, 1990

OMEGA GOLD CORPORATION

SMITHERS, B.C. 475 Howe Street

Vancouver, B.C., V6C 2B3, Telephone No. (604) 685-0744

NAME OF ISSUER, ADDRESS OF HEAD OFFICE AND TELEPHONE NUMBER

10th Floor, 595 Howe Street

Vancouver, B.C., V6C 2T5

NAME AND ADDRESS OF REGISTERED AND RECORDS OFFICES OF THE ISSUER

Montreal Trust Company

510 Burrard Street

Vancouver, B.C., V6C 3B9

NAME AND ADDRESS OF REGISTRAR & TRANSFER AGENT FOR ISSUER'S SECURITIES IN
BRITISH COLUMBIA

The Issuer is, under the Rules of the Vancouver Stock Exchange a "Venture
Company".

The securities offered hereunder are speculative in nature. Information
concerning the risks involved may be obtained by reference to this document.
Further information if required, may be sought from a broker.

OFFERING: 1,000,000 Units, each Unit comprised of one common share and
two Series "A" share purchase warrants.

	Estimated Price to Public	Estimated Agent Commission	Estimated Net Proceeds to Issuer *
Per Unit:	\$0.80	\$0.06	\$0.74
Total:	\$800,000	\$60,000	\$740,000

* Before deduction of the cost of the offering estimated to be \$40,000

The offering price of the Units will be determined in accordance with the rules
and policies of the Vancouver Stock Exchange at a premium over the average
trading price of the Issuer's shares.

ADDITIONAL OFFERING

The Agent has agreed to purchase any of the Units offered hereby which have not
been sold at the conclusion of the Offering. Any Units purchased by the Agent
pursuant to its guarantee will be distributed under this Statement of Material
Facts through the facilities of the Vancouver Stock Exchange at the market
price at the time of sale. See "Plan of Distribution" for further information
concerning the resale of these units.

AGENT

L.O.M. WESTERN SECURITIES LTD.
2200 - 609 Granville Street
Vancouver, B.C., V7Y 1H2

Neither the Superintendent of Brokers nor the Vancouver Stock Exchange has in
any way passed upon the merits of the securities offered hereunder, and any
representation to the contrary is an offence.

June 25/90

1. PLAN OF DISTRIBUTION

Offering

The Issuer by its Agent hereby offers (the "Offering") to the public through the facilities of the Vancouver Stock Exchange (the "Exchange") 1,000,000 units (the "Units"), each Unit comprised of one common share and two Series "A" share purchase warrants (the "Series "A" Warrants") in the capital of the Issuer. The Offering will take place on a day (the "Offering Day") not more than 180 days after the date (the "Effective Date") this Statement of Material Facts is accepted for filing by the Exchange and the Superintendent of Brokers for British Columbia (the "Superintendent").

The price of the Units (the "Offering Price") will be determined in accordance with the rules and policies of the Exchange, at a premium over the average trading price ("Average Trading Price") of the Issuer's common shares as traded on the Exchange and as determined by the Exchange.

The purchaser of any Units will be required to pay commission rates at the Agent's rate or at the rate charged by other Exchange members.

Appointment of Agent

The Issuer, by an agreement (the "Agency Agreement") dated April 2, 1990, amended May 30, 1990, appointed L.O.M. Western Securities Ltd. as its Agent (the "Agent") to offer the Units to the public.

The Issuer will pay the Agent a commission of 7-1/2% of the selling price of the Units. The commission was determined by negotiation between the Issuer and the Agent.

The Agent has agreed to purchase (the "Guarantee") any Units which remain unsubscribed for at the conclusion of the Offering and, in consideration therefor, the Issuer has agreed to allot and issue to the Agent, immediately following the Offering, non-transferable share purchase warrants ("Agent's Warrants") entitling the Agent to purchase a total of 500,000 common shares of the Issuer. The Agent may exercise any of the Agent's Warrants for one year following the Offering Day at the Offering Price, as determined in accordance with the rules of the Exchange. The Agent may sell any shares acquired on the exercise of the Agent's Warrants without further qualification. The proceeds from any sale of such shares will accrue to the Agent.

Share Purchase Warrants

The Series "A" Warrants and the Agent's Warrants will contain, among other things, provisions for appropriate adjustment in the class, number and price of shares issuable pursuant to any exercise thereof upon the occurrence of certain events, including any subdivision, consolidation or reclassification of the shares of the Issuer, or the payment of stock dividends, or the amalgamation of the Issuer.

**SUMMARY OF 1990 EXPLORATION
PROPERTIES; UNUK RIVER REGION
NORTHWESTERN B.C.
SKEENA MINING DIVISIONS
MAP SHEETS 104 B/9N, 10E, 16N**

for

**OMEGA GOLD CORPORATION
#307 - 475 Howe Street
Vancouver, B.C.**

MAY, 1990

GEORGE E. NICHOLSON, B.Sc.

CHRISTOPHER J. SAMPSON, P.Eng.

SUMMARY

The Macgold South, Story 3 and 4, and Story 7 claim groups comprise a total of 95 units. These claims are presently held in joint venture by Omega Gold Corp. (50%) and Ecstall Mining Corp. (50%). The properties are located in the Skeena Mining Division of Northwestern British Columbia. The properties lie within a 15 kilometre radius of the Eskay Creek gold deposit. Each of the properties is presently accessible only by helicopter.

Each claim group displays mineralization, whether it is gossan related, volcanogenic massive sulfide related, or shear hosted epithermal gold related. The common lithologies of these properties, namely those of the middle Jurassic Hazelton group of volcanic and sedimentary rocks, appear to represent the dominant hosts for some of this mineralization. These rock units also host several proven deposits in the area, such as the Snip, Eskay Creek, Reg, Inel, and Premier deposits.

The claim blocks mentioned above have seen varying degrees of exploration work completed on them. In the case of the Macgold South claim group, it has experienced the most intense analysis, having defined significant showings and a mineralized horizon. The remaining properties have received reconnaissance exploration and a three phase budget is proposed for each of them. It is expected that the total cost of these three phases will be approximately \$500,000 for each group, contingent upon successful results of preceding phases.

The information discussed in the accompanying text was derived from

the individual engineering reports compiled for Omega Gold Corporation on the Macgold South, Story 3 and 4 (Coul Group), and Story 7 claim groups. This summary is solely for revision purposes. For complete descriptions of each property, the reader is referred to the original engineering reports.

Dated at Vancouver, B.C., this 30th day of May, 1990.

George E. Nicholson

George E. Nicholson, B.Sc.

Christopher J. Simpson

Christopher J. Simpson, P.Eng.

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INTRODUCTION

The Macgold South, Story 3 and 4 ("Coul Group"), and Story 7 claim groups are located in the Unuk River area of Northwestern British Columbia. All the properties lie within a 15 kilometre radius of the Eskay Creek gold deposit.

Exploration programmes carried out on these properties span from regional reconnaissance work compiled by government sources to well-defined and sampled mineralized zones and showings. Each of the properties display some common rock units, especially those of the Hazelton volcanic and sedimentary package (i.e., Betty Creek formation, Mount Dilworth formation, and Salmon Creek formation), which host proven mineral deposits in the area. The Bowser Lake group of sediments also occurs on many of the claim groups. Gossanous mineralization has been identified on all the properties and, in general, appears to be located at the intersection of region fault lineaments.

A three phase exploration programme is suggested for each claim block. All three phases in total should not cost in excess of \$500,000, respectively.

LOCATION AND ACCESS

The Macgold South, Story 3 and 4, and Story 7 claim groups are located on and near the Unuk River, within a 15 kilometre radius of the Eskay Creek gold deposit of Stikine Resources Inc. and Calpine Resources Inc. (Figure 1). The Macgold South, Story 3 and 4, and Story 7 claim groups are within the Skeena Mining Division of British Columbia on N.T.S. map sheets 104 B/10E and 104 B/9W. All properties are accessible only by helicopter. Future roads proposed in the area will pass within approximately eight kilometres of each claim group.

PROPERTY LOCATION



**OMEGA GOLD CORPORATION
ECSTALL MINING CORPORATION**

LOCATION MAP

NICHOLSON & ASSOCIATES

Drawn: Goodrefling Date: May, 1990
Scale: 1:8,000,000

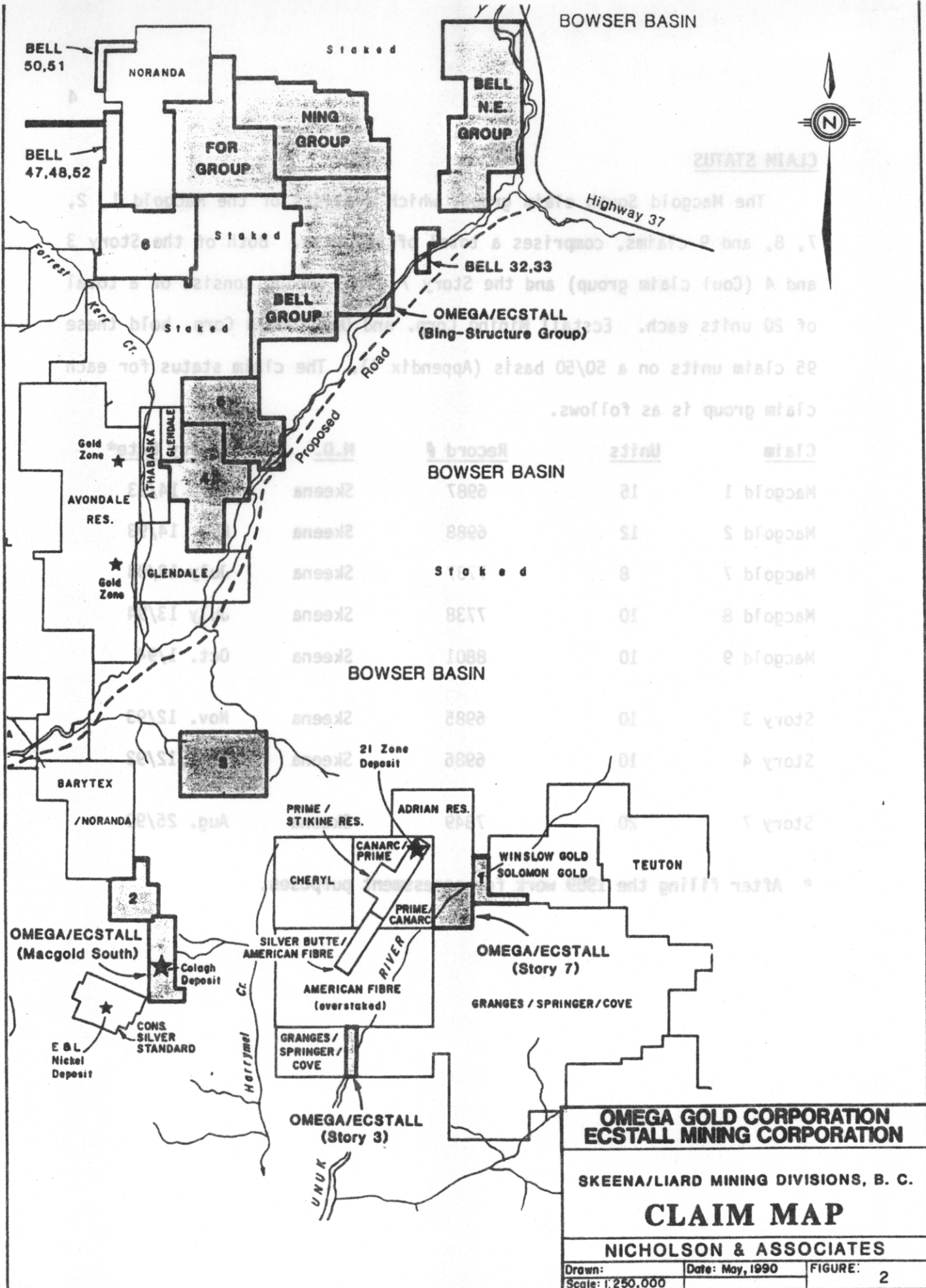
FIGURE
1

CLAIM STATUS

The Macgold South claim group, which consists of the Macgold 1, 2, 7, 8, and 9 claims, comprises a total of 55 units. Both of the Story 3 and 4 (Coul claim group) and the Story 7 claim groups consist of a total of 20 units each. Ecstall Mining Corp. and Omega Gold Corp. hold these 95 claim units on a 50/50 basis (Appendix 1). The claim status for each claim group is as follows.

<u>Claim</u>	<u>Units</u>	<u>Record #</u>	<u>M.D.</u>	<u>Expiry Date*</u>
Macgold 1	15	6987	Skeena	Nov. 14/93
Macgold 2	12	6988	Skeena	Nov. 14/93
Macgold 7	8	7737	Skeena	July 13/94
Macgold 8	10	7738	Skeena	July 13/94
Macgold 9	10	8801	Skeena	Oct. 1/94
Story 3	10	6985	Skeena	Nov. 12/93
Story 4	10	6986	Skeena	Nov. 12/92
Story 7	20	7849	Skeena	Aug. 25/90

* After filing the 1989 work for assessment purposes.



**OMEGA GOLD CORPORATION
ECSTALL MINING CORPORATION**

SKEENA/LIARD MINING DIVISIONS, B. C.

CLAIM MAP

NICHOLSON & ASSOCIATES

Drawn:	Date: May, 1990	FIGURE: 2
Scale: 1:250,000		

PHYSIOGRAPHY AND CLIMATE

Each of the claim groups are situated on the edge of the intercoastal mountain belt of the Coast Mountain Batholith Complex. The elevation of the properties varies from 300m (1000 ft.) in the river valleys to 1800m (6000 ft.) along ridges and cliff tops.

Water is plentiful in the form of glacial melt and ground water seepage. Vegetation varies from thick stands of cedar and fir trees to valleys of slide alder and devil's club, to that of treeless alpine vegetation at higher elevations.

The properties are influenced by coastal weather patterns and are therefore workable only from June to mid October.

HISTORY AND EXPLORATION IN THE AREA






The first documented mineral discoveries in the Unuk River area occurred around the turn of the century. The largest producer was the Silbak Premier gold-silver mine located north of Stewart. In the post-World War II era, exploration emphasis was changed to the search for base metals. It was not until the advent of the 1970's that the quest for precious metal deposits became lucrative once more. Recent aggressive exploration in the area resulted in the discovery of the Reg deposit (Skyline Gold Corp.), Snip deposit (Cominco Ltd. and Prime Resources Corp.), and the Eskay Creek deposit (Calpine and Stikine Resources).

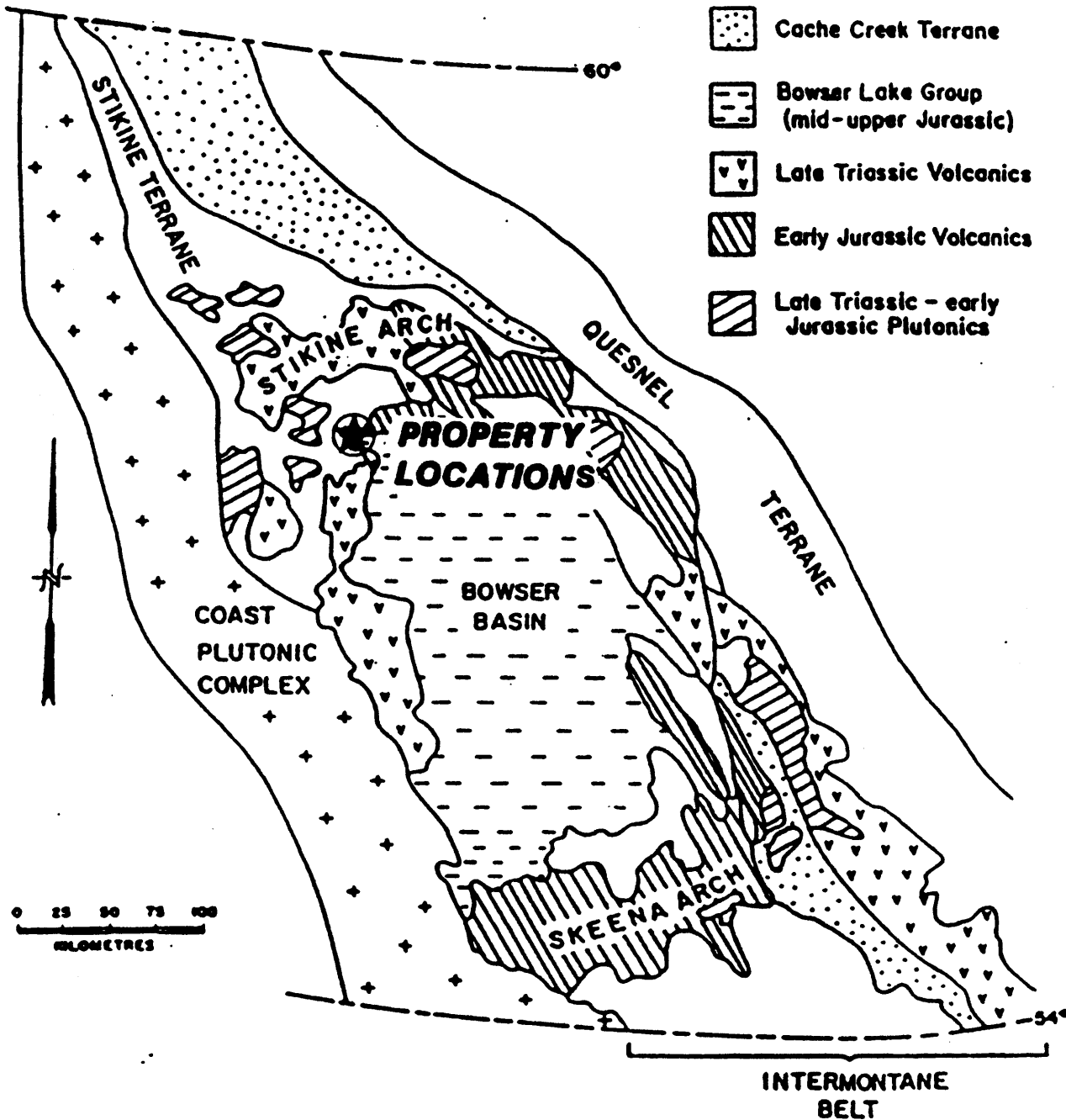
Each of Omega's aforementioned properties have received silt/soil and selective rock sampling completed by the Geological Survey of Canada, British Columbia Department of Energy, Mines and Petroleum Resources, and Nicholson and Associates. The exception is the Macgold South claims where trenching and a geophysical survey defined a mineralized zone (Colagh Showing) with base and precious metal credits. Gossan type mineralization has been identified on all the properties.

REGIONAL GEOLOGY

The Unuk River area is underlain by thick, weakly metamorphosed upper Triassic to lower Jurassic volcanic and sedimentary island arc related units overlain by middle Jurassic successor basin units of the Bowser Basin. Large scale northeast plunging vertical folds and major north-trending cataclastic and fault zones are thought to be related to early Cretaceous plutonism and orogenesis.

LEGEND

-  Cache Creek Terrane
-  Bowser Lake Group (mid-upper Jurassic)
-  Late Triassic Volcanics
-  Early Jurassic Volcanics
-  Late Triassic - early Jurassic Plutonics



**REGIONAL GEOLOGY
BOWSER BASIN
NW BRITISH COLUMBIA**

(Outline of terrane boundaries and major rock groups of the Jurassic and Triassic - modified from Thomson, 1985).

FIG. 3

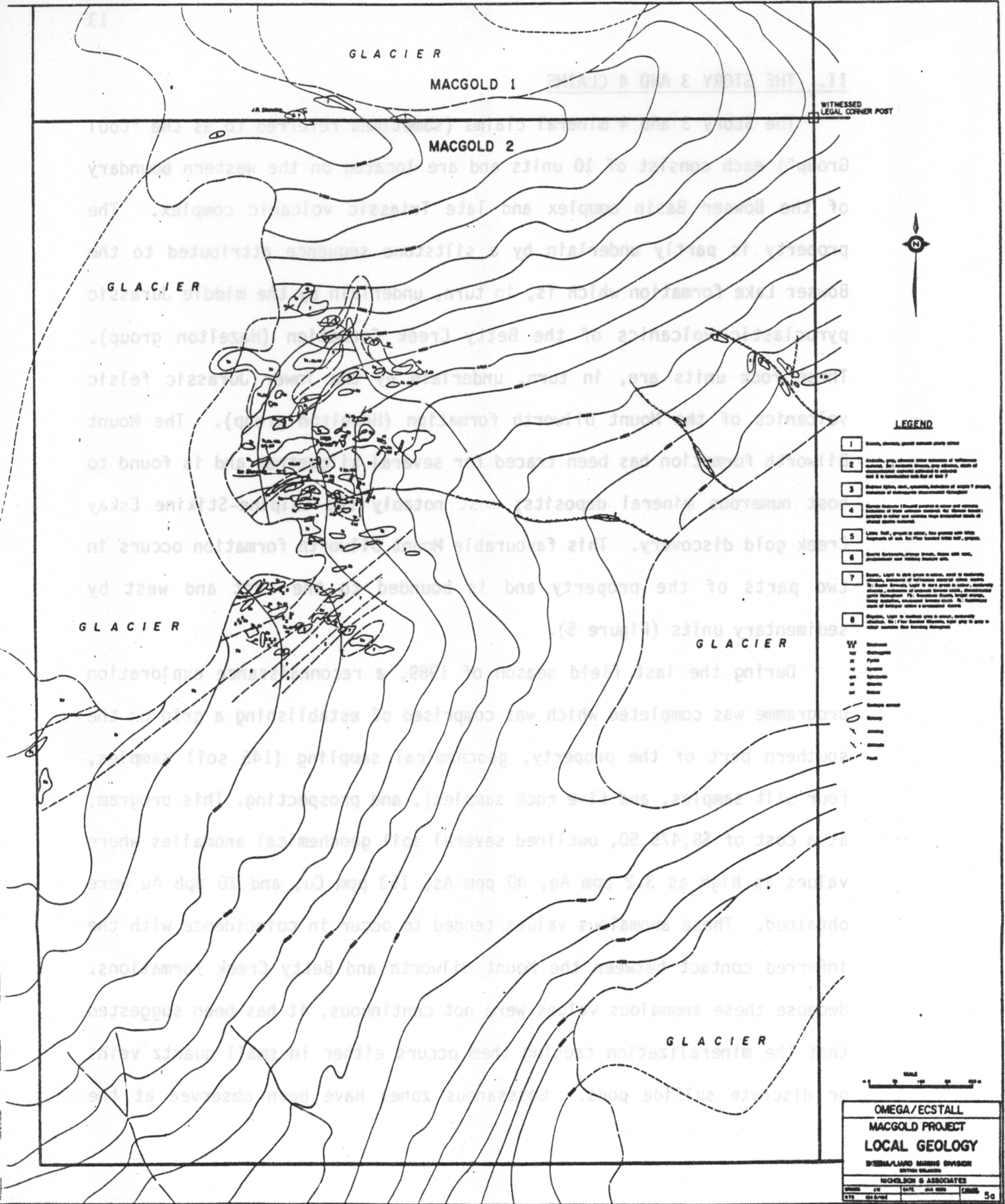
I. THE MACGOLD SOUTH CLAIMS

The Macgold South claim group consists of the Macgold 1, 2, and 7-9 claims, comprising 55 units. The claims are underlain by a volcanic succession of rocks that could host either a volcanogenic massive sulfide occurrence or an epithermal shear hosted gold deposit. The volcanic assemblage is comprised mostly of intermediate flows and tuffs, which have been intruded by diabase dikes. A moderately silicified, flow-banded rhyolite is the oldest unit outcropping on the claims and shows high angle fractures and shears which dips 60° to 90° westerly (Figure 4).

In the late field season of 1989, a preliminary exploration program, consisting of reconnaissance geochemical sampling and prospecting establishing a grid, an I.P. geophysical survey and trenching was successful in discovering several massive sulfide and precious metal showings. This program was carried out for a total cost of \$50,750. The combined results of a geochemical (rock and soil) survey and I.P. geophysical survey outlined an open-ended, ellipsoidal, 200m wide, massive sulfide type mineralized horizon within an area of widespread mineralization. Alteration associated with these mineralized zones spans propylitic through argillic with related mineralization, including disseminated and massive pyrite, chalcopyrite, sphalerite, galena, and covellite. The mineralization of economic significance occurs in a silicified, brecciated dacitic stockwork system, and grades up to 0.21 oz./ton over 2.5 metres were encountered. The J.R. Showing has silver values of up to 25 oz./ton; the Ice Showing containing 0.21 oz./ton gold

over 2.5 metres; and the High Grade Showing has values of 0.007 oz./ton gold, 1.5 oz./ton silver, 0.8% zinc, and 5.7% copper.

A two phase follow-up exploration program is proposed for the Macgold South claims in 1990 at a projected cost of \$275,375.00 to test for gold and copper-zinc mineralization. Phase I is estimated to cost \$100,650, and would establish a base camp near the Ice and High Grade Showings, re-establish the 1989 grids, and carry out detailed trenching, mapping, rock sampling, and an electromagnetic geophysical survey. In an effort to locate similar gold bearing massive sulfide mineralized zones such as the Ice and High Grade Showings, prospecting on the unexplored northern portion of the property would also be undertaken. Phase II, at an estimated cost of \$174,725, would include a drilling program of 760m-900m (2500 to 3000 feet) in four to eight holes to test targets outlined by the geophysical surveys and trench blasting. Following this, and subject to favourable results being obtained from Phases I and II, a Phase III programme is projected to cost \$224,075.00.



GLACIER

MACGOLD 1

WITNESSED
LEGAL CORNER POST

MACGOLD 2

GLACIER

GLACIER

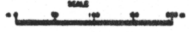
GLACIER

GLACIER

LEGEND

- 1 Dike, sill, dyke, stock vein, stock vein
- 2 Fault, grab, thrust zone, extension of reference horizon, etc. (See also Section 10, page 10)
- 3 Dike, sill, dyke, stock vein, stock vein, etc. (See also Section 10, page 10)
- 4 Dike, sill, dyke, stock vein, stock vein, etc. (See also Section 10, page 10)
- 5 Line, fault, grab, thrust zone, extension of reference horizon, etc. (See also Section 10, page 10)
- 6 Dike, sill, dyke, stock vein, stock vein, etc. (See also Section 10, page 10)
- 7 Dike, sill, dyke, stock vein, stock vein, etc. (See also Section 10, page 10)
- 8 Dike, sill, dyke, stock vein, stock vein, etc. (See also Section 10, page 10)

- W
- 10'
- 20'
- 30'
- 40'
- 50'
- 60'
- 70'
- 80'
- 90'
- 100'



OMEGA/ECSTALL
MACGOLD PROJECT
LOCAL GEOLOGY
 SHERMAN LAND MINING DIVISION
 NICHOLSON & ASSOCIATES
 SHEET NO. 10 DATE 10/1/82 SCALE 1:50,000

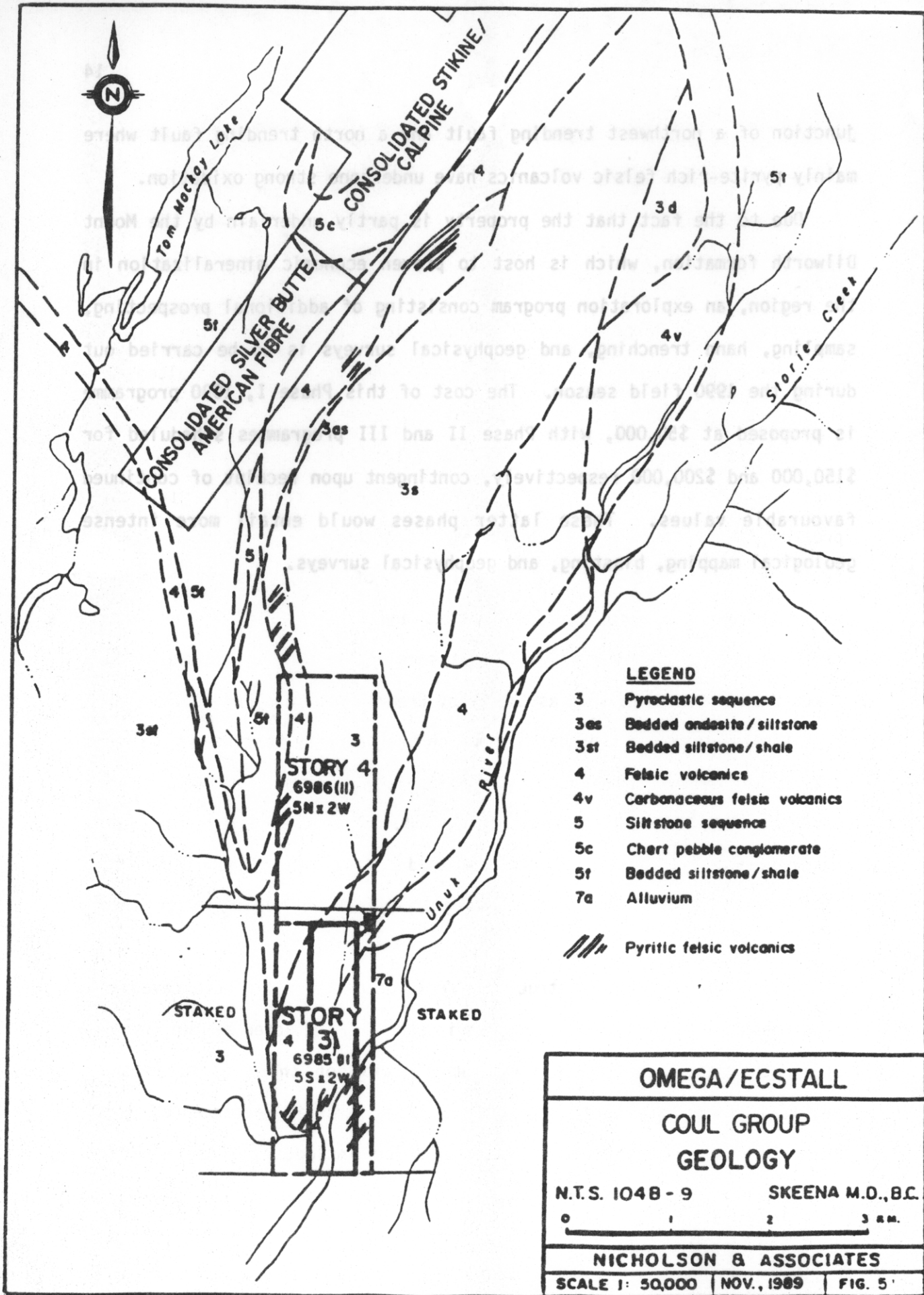
II. THE STORY 3 AND 4 CLAIMS

The Story 3 and 4 mineral claims (sometimes referred to as the "Coul Group") each consist of 10 units and are located on the western boundary of the Bowser Basin complex and late Triassic volcanic complex. The property is partly underlain by a siltstone sequence attributed to the Bowser Lake formation which is, in turn, underlain by the middle Jurassic pyroclastic volcanics of the Betty Creek formation (Hazelton group). These rock units are, in turn, underlain by the lower Jurassic felsic volcanics of the Mount Dilworth formation (Hazelton group). The Mount Dilworth formation has been traced for several kilometres and is found to host numerous mineral deposits; most notably the Calpine-Stikine Eskay Creek gold discovery. This favourable Mount Dilworth formation occurs in two parts of the property and is bounded to the east and west by sedimentary units (Figure 5).

During the last field season of 1989, a reconnaissance exploration programme was completed which was comprised of establishing a grid on the southern part of the property, geochemical sampling (145 soil samples, four silt samples, and five rock samples), and prospecting. This program, at a cost of \$8,475.50, outlined several soil geochemical anomalies where values as high as 3.2 ppm Ag, 40 ppm As, 153 ppm Cu, and 10 ppb Au were obtained. These anomalous values tended to occur in coincidence with the inferred contact between the Mount Dilworth and Betty Creek formations. Because these anomalous values were not continuous, it has been suggested that the mineralization causing them occurs either in small quartz veins or discrete sulfide pods. Gossanous zones have been observed at the

junction of a northwest trending fault and a north trending fault where mainly pyrite-rich felsic volcanics have undergone strong oxidation.

Due to the fact that the property is partly underlain by the Mount Dilworth formation, which is host to proven economic mineralization in the region, an exploration program consisting of additional prospecting, sampling, hand trenching, and geophysical surveys is to be carried out during the 1990 field season. The cost of this Phase I, 1990 programme is proposed at \$50,000, with Phase II and III programmes scheduled for \$150,000 and \$200,000 respectively, contingent upon receipt of continued favourable values. These latter phases would entail more intense geological mapping, blasting, and geophysical surveys.



III THE STORY 7 CLAIM

The Story 7 claim comprises 20 units situated approximately six kilometres south of the Eskay Creek gold deposit. The rocks on the property have been mapped by the British Columbia Department of Mines as belonging to the lower to middle Jurassic Hazelton group of rocks. The area appears to be a volcanogenic setting which has been faulted up alongside a prominent package of sedimentary rocks. The northwestern part of the property is underlain by a siltstone sequence belonging to the Salmon River formation to the southwest, and trending across the property in a southwest to northeast direction is the Mount Dilworth formation of felsic volcanics. Southeast of this, the property is underlain by the poorly sorted andesites and lithic tuffs of the Betty Creek formation. These rock units host some of the major deposits in the Iskut-Unuk Rivers area such as the Eskay Creek, Snip, and Reg deposits.

Limited work has been carried out on the property because during the 1989 field season the Story 7 claim was subject to a complaint filed under Section 35 of The Mineral Tenure Act. This dispute has now been resolved and the Story 7 claim is considered to be in good standing; therefore the 1990 exploration programme will be able to proceed unhindered.

Air photo analysis of structural features on the claim have revealed a northeasterly fault trending up Storie Creek, intersected by two north-south trending lineaments. At the junction of these features has resulted a very bright coloured gossanous zone. Mineral occurrences have been documented where gossan mineralization includes pyrite, galena,

sphalerite, and arsenopyrite associated with very narrow quartz-carbonate stringers and brecciated andesite.

A three-phase exploration programme has been proposed to test the mineral potential of the Story 7 claim. Phase I, at a cost of \$100,650, would consist of establishing a picketed grid, detailed geologic mapping at 1:10,000 scale, and geochemical and geophysical surveys. Phases II and III are contingent upon favourable results obtained during Phase I. Phase II would consist of follow-up sampling of anomalies, geophysical surveys, blasting, and trenching; all for a cost of \$174,725. Phase III would, for the most part, consist of diamond drilling defined targets at a projected cost of \$224,074. Continuation of work is contingent only upon favourable results from the preceding programme.

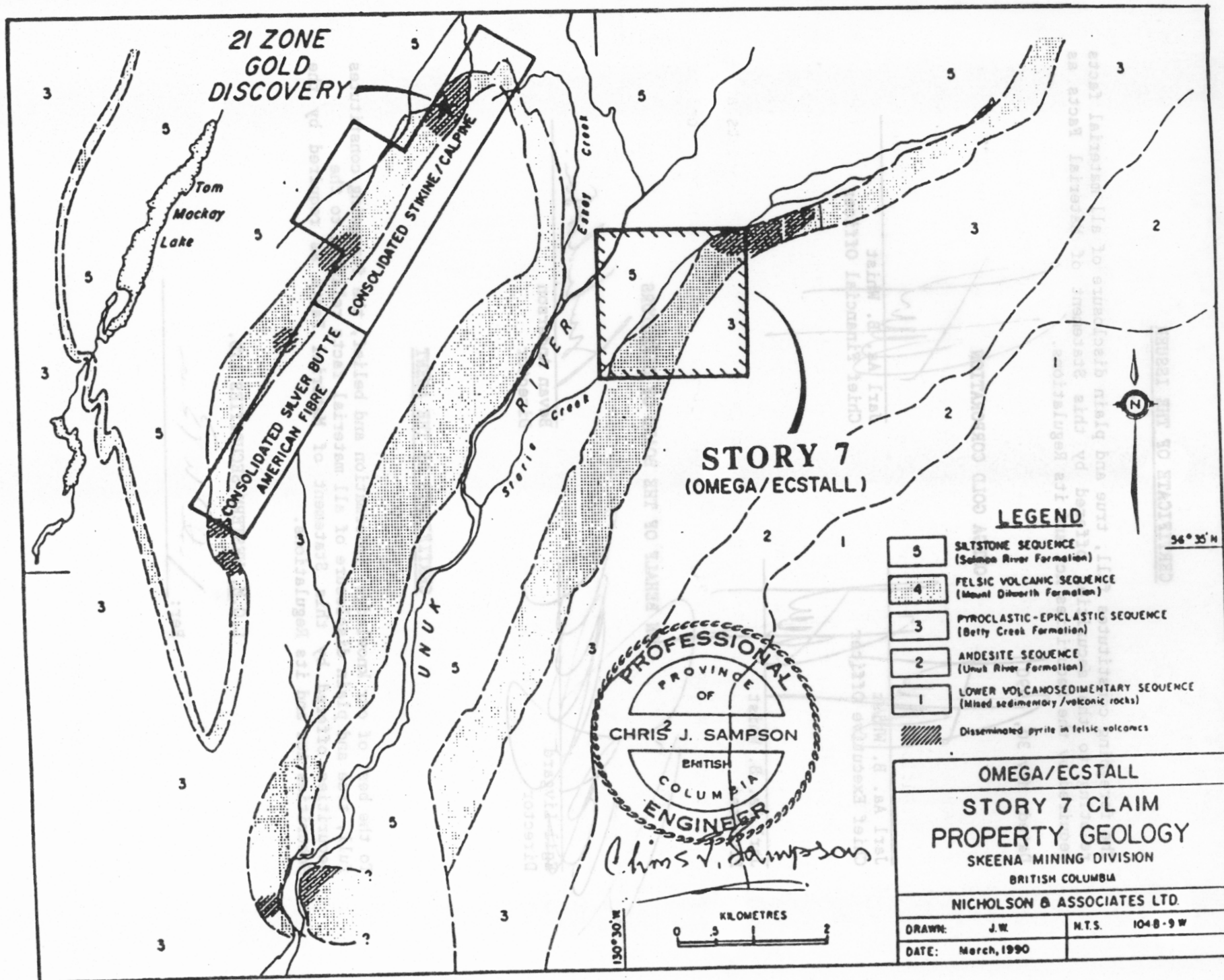


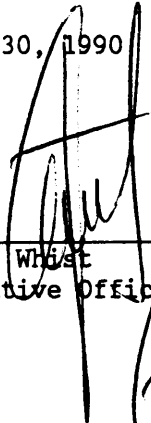
Figure 6

CERTIFICATE OF THE ISSUER

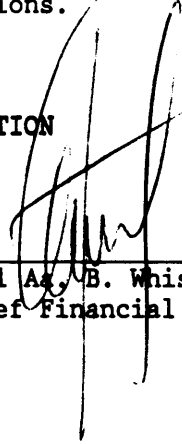
The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Statement of Material Facts as required by the Securities Act and its Regulations.

Dated: May 30, 1990


OMEGA GOLD CORPORATION



Jarl Aa. B. Whist
Chief Executive Officer

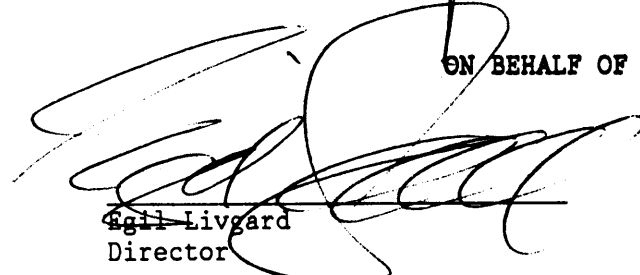


Jarl Aa. B. Whist
Chief Financial Officer

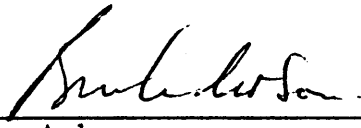


Jarl Aa. B. Whist
Promoter

ON BEHALF OF THE BOARD OF DIRECTORS



Egil Livgard
Director



Bevan Anderson
Director

CERTIFICATE OF THE AGENT

To the best of our knowledge, information and belief, the foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Statement of Material Facts as required by the Securities Act and its Regulations.

L.O.M. WESTERN SECURITIES LTD.

Per: 
