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PRELIMINARY REPORT
ON
THE BOO CLAIMS
KID CREEK AREA
NELSON MINING DIVISION, B.C.

for

KOMODY RESOURCES LTD.
326 - 510 West Hastings Street
Vancouver, B.C.

by

J.P. ELWELL, P.Eng.
1026 - 510 West Hastings Street
Vancouver, B.C.

August 17th, 1980

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PRELIMINARY REPORT ON THE
BOO CLAIMS, KID CREEK AREA,
NELSON MINING DIVISION, B.C.

SUMMARY

The Boo claims are located between Peterson and Found Creeks to the northwest of Kid Creek in the Nelson Mining Division of B.C. Access is by way of Highway #3 and gravelled logging roads.

The claims are underlain by the Aldridge formation of Pre-Cambrian age consisting of quartzites and argillites which strike to the northwest and dip at 55° to the northeast.

Previous work in the area now covered by the Boo claims dates from 1967 when Cominco carried out a program of soil sampling and geological mapping resulting in two lead-zinc anomalies, and in 1968, when Mercury Explorations Ltd.* did further soil sampling and a gravity survey which resulted in recommendations for further work.

In 1978 the Boo #1 and #2 claims were staked and reconnaissance soil sampling confirmed the anomalous conditions found by Cominco and Mercury Explorations.

The results of this previous work justify a detailed soil sampling program over the present Boo claims together with a VLF-EM survey, and a selective Max-Min EM survey. Confirmed anomalies resulting from this work should be explored by trenching or test drilling.

The initial phase of work is estimated at \$15,000 and the second phase at \$25,000 for a total of \$40,000.

INTRODUCTION

On August 11th, 1980, the writer made a reconnaissance examination of the Boo claims, located near Kitchener, in the Nelson Mining Division, B.C. As the claims were undeveloped except for some soil sampling, the purpose of the examination was to become familiar with the geology and topography of the area, and to determine what further exploration was justified on the basis of the results of the previous work.

This report was prepared for Komody Resources Ltd., 326 - 510 West Hastings Street, Vancouver, B.C.

LOCATION AND ACCESS

The Boo group, consisting of six claims staked by the two post method are situated between Peterson and Found Creeks and to the west of Kid Creek in the Nelson Mining Division of B.C. The approximate geographic centre of the claims would be Lat. $49^{\circ}11'30''N.$, Long. $116^{\circ}15'00''W.$

Access to the claims is by way of Highway #3 east from Kitchener for about 5 km. then northeast up the Kid Creek valley on a graded gravel road for 6 km., and then up some old logging roads which pass through the property.

TOPOGRAPHY, TIMBER, ETC.

The ground rises fairly steeply from Kid Creek in a north-

westerly direction, the elevation of the lowest point of the Boo claims being about 4000 feet. The whole hillside is heavily covered with second growth cedar, pine and fir, with some debris left from earlier logging operations. Overburden cover is fairly complete but not excessively thick, and bedrock is exposed along most of the old logging roads.

PROPERTY

The property consists of six claims, the Boo #1 to #6 inclusive. Details are as follows:

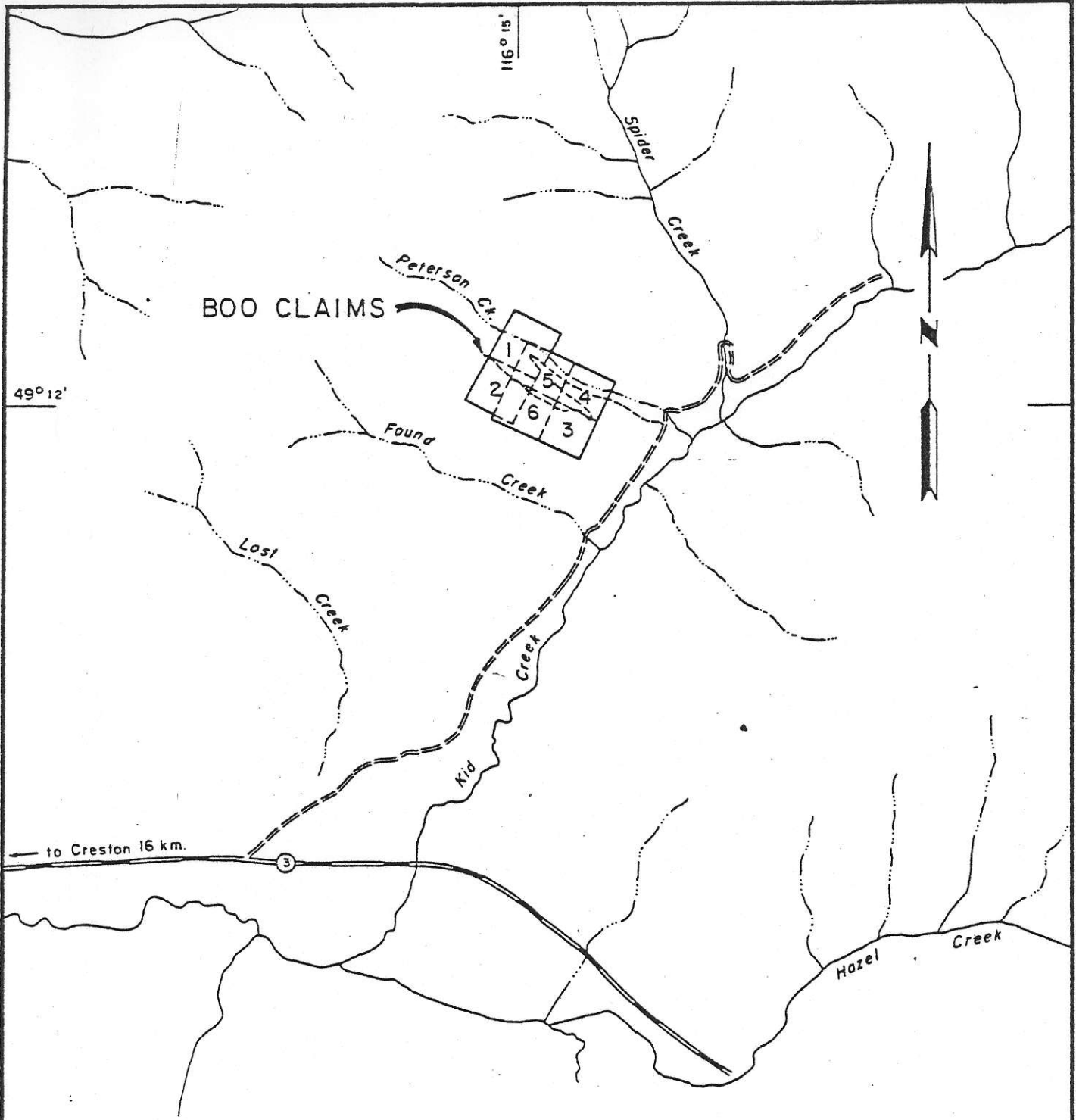
<u>Name</u>	<u>Record No.</u>	<u>Tag No.</u>	
Boo #1	768		
Boo #2	769		
Boo #3		519967)	
Boo #4		519968)	
Boo #5		519969)	Staked August 11, 1980
Boo #6		519970)	

A claim location map accompanies this report.

GENERAL AND ECONOMIC GEOLOGY

The following is a summary of the regional and economic geology of the area as described by R.G. Gifford, P.Eng. in Assessment Report #1625, 1968, and H.H. Freund, B.Sc. and J.L. Richardson, P.Eng. in Assessment Report #1069, dated July 1967.

The claims are underlain by the Middle Aldridge formation of Pre-Cambrian age, which is part of the Purcell super group



BOO CLAIMS

KOMODY RESOURCES LTD.
 LOCATION MAP
 OF
 BOO CLAIMS

NOTE:
 Drawn from B.C. Dept. of
 Mines and Petroleum Resources
 Map No. 82 F/1.
 Claim Locations approximate.

NELSON MINING DIVISION, B.C.

Scale 1:50,000

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consisting of a thick assemblage of weakly metamorphosed clastic sediments, mainly fine grained quartzites and silicious argillites. The bedding ranges in thickness from less than one inch to over ten feet with a strike to the northwest and a dip of about 55° northeast.

Mineralization consists of sparse galena and sphalerite associated with the argillites and several of the quartzite beds. Minor quartz veins are heavily mineralized with medium grained galena crystals.

PREVIOUS EXPLORATION

The present Boo claims cover part of the area previously covered by the 37 claim Kid group. In June and July 1967 Cominco Ltd. carried out a program of geological mapping, a geochemical survey, and some bulldozer stripping and trenching. This work resulted in the discovery of two lead-zinc anomalies about one claim length apart in areas where the bedrock was completely obscured by overburden.

In 1968 Mercury Explorations Ltd. carried out further soil sampling, a magnetometer survey over a selected part of the claim area. According to R.J. Gifford, P.Eng., the magnetic survey showed no significant response, but significantly anomalous results were obtained from the gravity survey and the soil sampling and it was recommended that these survey methods be applied to the whole claim area.

The Kid claims lapsed, and in 1978 the Boo #1 and #2 were staked to cover what appeared to be the main area of interest

from the basis of the Cominco and Mercury Explorations work. Four lines of soil samples were run and analysed for Cu, Pb, Zn, Cd and Ag. Some significantly anomalous values were obtained from lead, zinc and cadmium, but the copper and silver values were uniform and low.

EXAMINATION OF THE PROPERTY

The reconnaissance examination made on August 11th was mainly confined to the old logging roads cut along the steep hillside above Peterson Creek. The rock exposed along these road cuts consisted of massive to thin bedded quartzites and some beds of argillite. Certain areas of the quartzites were heavily rust stained and cut by occasional narrow quartz veins with limonite filled vugs. A few very narrow seams of sulphides were noted on joints and fractures in the quartzites.

There is practically no rock exposure on the slopes above or below these roads, but overburden does not appear to be excessively thick.

After examining the Cominco and Mercury Explorations maps, it was found that the existing Boo claims did not cover all the anomalous areas previously indicated by the earlier work, so an additional four claims were staked which partially overlap the original claims as shown on the location map.

EVALUATION OF THE PROPERTY

To date, three reconnaissance type geochemical surveys have

been conducted over the ground now covered by the Boo claims and part of the surrounding area. All these surveys have indicated anomalous values in lead and zinc, and the latest one in cadmium. However, there appears to have been no follow-up work to investigate the source of these anomalous areas, although the Cominco work did open up an eight-foot belt of low grade, lead-zinc mineralization.

The geological environment is considered favourable for economic, bodies of lead-zinc mineralization, and now that the regional claim area has been reduced to what appears to be the most favourable part on the basis of the reconnaissance work, further geochemical and geophysical work appears justified to delineate some specific targets for physical exploration. An outline of the preliminary work is given below.

RECOMMENDATIONS

Phase I

1. The present claim area should be soil sampled on a systematic grid. Suggested line spacing is 100 m. with 30 m. sample intervals. Samples should be analysed for Pb, Zn, and Cd.
2. Concurrently with the above, a V.L.F. EM survey should be conducted.
3. Anomalous areas resulting from an interpretation of 1 and 2 should be subjected to a Max-Min EM survey aimed to detect buried sulphide deposits.

Phase II

If the Phase I work results in some well defined targets a program of stripping or trenching would be warranted, or if impractical due to the terrain, some test drilling.

Further work would be contingent on the results of the above.

ESTIMATE OF COSTS

Phase I

1. Soil sampling - allow for 11 km. and 400 samples @ \$10.00 including analyses	\$ 4,000.00
2. V.L.F. EM survey - 11 km. @ \$200/km.	2,200.00
3. Max-Min EM survey - allow 6 km. @ \$500/km. including interpretation and maps	3,000.00
4. Travel and maintenance	1,800.00
5. Engineering	1,500.00
6. Contingencies	<u>2,500.00</u>
Total	\$15,000.00

Phase II

Provisional allowance for stripping, trenching, etc. as justified. \$25,000.00

Total Phase I & II \$40,000.00

August 17th, 1980


J.P. ELWELL, P.Eng.

REFERENCES

Assessment Report #1069 - H.H. Freund and J.L. Richardson,
P.Eng., July 1967.

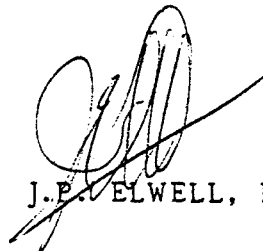
Assessment Report #1625 - R.G. Gifford, P.Eng., September 1968.

CERTIFICATE

I, James Paul Elwell, of 4744 Caulfield Drive, West Vancouver, B.C., do hereby certify that:

1. I am a Consulting Mining Engineer residing at 4744 Caulfield Drive, West Vancouver, B.C., and with an office at 1026-510 West Hastings Street, Vancouver, B.C. V6B 1L8
2. I am a graduate in Mining Engineering from the University of Alberta in 1940, and am a Registered Professional Engineer in the Province of British Columbia.
3. I have no personal interest, directly or indirectly in the properties examined or in Komody Resources Ltd., securities, nor do I expect to receive directly or indirectly any interest in such property or securities.
4. The findings in the report are derived from data acknowledged under "References", and from a personal examination of the property on August 11, 1980.
5. The full text of the report and accompanying maps may be reproduced in the Company's Prospectus.

DATED at VANCOUVER, B.C. this 18th day of August, 1980.


J.P. ELWELL, P.Eng.