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Mr. Michael Zuber
Nucorp Ventures Ltd.
305 - 455 Granville Street
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Dear Michael:

Re: Gnat Pass Project

I have reviewed the available geology, geochemistry, and geophysics for this property and considered the proposed exploration program with a view to the budgetary restraints and I have the following observations and suggestions for Terry Heard's consideration.

1. The article on Gnat Pass published in "Geological Fieldwork," 1988, Paper 1989-1 includes a small geological map (p. 430) with the Gnat Lake mafic-ultramafic complex. This small complex intrudes mainly metasedimentary rocks, but also some basic volcanics on its western contacts. This package is intruded on the east and on the south by phases of the Hotailuth Batholith. Several northeasterly to northerly striking faults cut through the terrain and one of these passing by the western edge of the ultramafic is presumably the mineralized structure that has been investigated in the past.

This geological sketch could act as a rough guide to the geophysical program. Additional geological mapping done by the project geologist could add to and improve the geological base. The geophysical crew could note positions where outcrops occur along lines thus helping the geologist. It is doubtful that a separate mapping crew or geologist would be warranted.

2. The VLF-EM-Magnetic survey appears to be the best tool in getting targets. Several extensive VLF-EM anomalies represent faults and in three places along these, mineral discoveries verify the importance of the anomalies. The magnetic picture has some "magnetic lineaments" drawn by Interpretex Resources Ltd. These seem to follow the magnetic lows and generally occur a short distance (up to 30 meters) to the west of the VLF-EM anomaly. In some places the magnetic lineament is superimposed on the EM anomaly and in a few places the magnetic lineament crosses over to the east side of the VLF-EM anomaly. The VLF-EM anomaly probably represents the surface trace of the structure; the magnetic low might indicate a down dip position of the associated alteration. If such is the case then the more pronounced magnetic lows along these lineaments may be of exploration significance.

The EM anomalies in the area surveyed occur only to the west of the base line and presumably within the volcanic rocks. The limited survey to the east of the base line has no anomalies and is probably in the ultramafic. However one should not assume that the known anomalies and their extensions northeasterly are the only targets. Areas to the north of the ultramafic, especially that in the volcanics, should receive some consideration and some widely spaced lines of EM. Also we do not know whether or not the ultramafic is the main control for the location of the mineralization; we do have vast claim holdings that extend northerly to the porphyry copper deposit. How this extensive area can be tackled needs some consideration, especially in view of the depth limitations of VLF-EM. Selection of linears from the air photos will provide some guide.

Should we be considering some airborne EM technique for the claims to the north or should we just select some specific areas within this large claim block for ground EM work?

The line spacing for the VLF-EM and magnetic work can be increased to 100 meters and maybe even more in areas of unknown potential. If necessary intervening lines can be established during the survey.

3. The soil geochemistry has not been very definitive in confirming worthwhile targets. Three areas of mineralization have been noted with associated VLF-EM anomalies. The discovery area to the south (Dalvenie South Zone) was not strongly detected with the four metals plotted although there are some anomalous copper values near the prospect. The C target consists of three scattered anomalous values for lead and antimony and this probably reflects the showing and the VLF-EM anomaly of that area; however the three values do not form a pronounced trend. The A anomaly is a narrow area of scattered copper values, generally associated with some anomalous nickel values. These do not give a sharp linear trend. Also, similar values occur in the eastern part of the grid area where there are no geophysical anomalies. The northerly glacier movement probably has resulted in the dispersion of metals.

Some good orientation tests must be done early in the program to determine the distribution of metals in the soils above the mineralized showings both vertically and laterally. If a definitive soil horizon can be established from such work then we might consider using detailed soil geochemistry over top of the geophysical anomalies with possibly greater depth of samples and/or reduced spacing of sample sites.

4. As usual VLF-EM anomalies are quite common and do not necessarily indicate drill targets. In this case we have some confirming data with three mineralized showings. However we now have extensive EM anomalies which cannot all be tested by diamond drilling. Additional anomalies will be obtained with additional geophysical work in the coming season. Thus it is very important to use other tools to select the better anomalies for drilling. Such tools can include a more definitive EM technique, better geochemical results, and stripping.

The conductivity of the mineralized or almost massive sulphides should be tested with a multimeter to determine whether a continuous conductor is possible. In such case, consideration should be given to using a follow-up EM technique such as Max-Min, Genie, etc.

The orientation work necessary for the geochemistry has already been discussed.

The stripping is going to be a major tool in this program and I recommend a backhoe rather than a bulldozer, even if it is necessary to ship one in separately. The environmental control people or regulators are very adverse to the use of bulldozers for stripping. Moreover, the trenches will have to be filled in subsequently. This can more easily be done with a backhoe trench where the debris is placed alongside the trench than with a bulldozer trench where everything is pushed down hill and will subsequently have to be pushed back up hill to fill in the trenches. The cost of back filling the bulldozer trenches will exceed the cost of making the trenches.

5. Initially the drilling should be done with single holes at each set-up, unless a very significant mineralized intersection is obtained in which case a steeper hole can be drilled from the same site. In most places this initial test can be done with a 45° hole of about 200 feet in length. The drill has to be suited to the project and if necessary a slower rig could be used rather than the high speed rig, which would require more drilling from each site to fully exploit its potential.

The preliminary work such as the geophysics, geochemistry and stripping are the most important part of this program and although the cost can be estimated, it may be necessary to substantially increase this portion of the budget and decrease the drill budget once the program starts. As a consequence we can't accurately specify the total drilling footage that the budget will permit. Therefore we should have separate quotes for (a) camp, (b) drill mob and demob, (c) drill footage, with a low minimum specified amount.

The cost of $50,000 for the camp seems quite high, possibly other ways of establishing the camp and running it may be possible.

The above are suggestions for Terry's consideration. As I have not visited the property and he has had considerably more exposure to it than I have, it would be worthwhile for us to get together some time and discuss these suggestions and other aspects of the program.

Yours very truly

J. R. WOODCOCK CONSULTANTS LTD.

J. Richard Woodcock

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