P.O. BOX 119
GJOA HAVEN, NU X0E 1J0
TEL: (867) 360-6338
FAX: (867) 360-6369

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NUNAVUT WATER BOARD
NUNAVUT IMALIRIYIN KATIMAYINGI

WATER LICENCE APPLICATION FORM

Application for: (check one)

__X_ _ New __ Amendment ___Renewal ___Assignment

LICENCE NO:
(for NWB use only)

1. NAME AND MAILING ADDRESS OF APPLICANT/LICENSEE

Major General Resources Ltd.
1550-409 Granville St.
Vancouver, B.C. V6C 2P2

Phone: **604-685-5254**
Fax: **604-685-2814**
e-mail: **drafting@majorgeneral.com**

2. ADDRESS OF CORPORATE OFFICE IN CANADA (if applicable)

Same as 1.

Phone:_____
Fax: _____
e-mail: _____

3. LOCATION OF UNDERTAKING (describe and attach a topographical map, indicating the main components of the Undertaking)

Tahoe Lake Area, Victoria Island, Nunavut

Latitude: **70^{0}07'** Longitude: **109^{0}30'** NTS Map No: **77F/1** Scale: **1:50,000**
(Approximate centre of area being explored)

4. DESCRIPTION OF UNDERTAKING (attach plans and drawings)

Diamond Exploration:
Involving regional till sampling, airborne magnetic surveying.
Site specific work of local ground magnetic surveying to confirm kimberlite drill target, diamond drilling of select targets to confirm presence of kimberlite; digging small pits along known kimberlite dykes in order to collect sample material for diamond analyses.

5. TYPE OF UNDERTAKING (A supplementary questionnaire must be submitted with the application for undertakings listed in **"bold"**)

__ Industrial
__ Mine Development
__ Advanced Exploration
_X_ Exploratory Drilling
_ X _ Remote Camp
__ Municipal
__ Power
__ Other (describe): _____

6. WATER USE

_ X_ To obtain water
__ To modify the bed or bank of a watercourse
__ To alter the flow of , or store, water
__ To cross a watercourse
__ To divert a watercourse
__ Flood control
__ Other (describe): _____

7. QUANTITY OF WATER INVOLVED (litres per second**,** litres per day or cubic metres per year, including both quantity to be used and quality to be returned to source)

Camp use: domestic purposes and sample washing; usually there will be a max of ~10 people residing at the campsite, on a temporary basis an overlap of crew change and visitors may happen and a maximum of 20 people may be present. Water consumption is estimated at 20 litres per person per day. Any discharge of water will be confined by pits and tanks as necessary so no contaminated water will be allowed to return to source.

Diamond Drilling: estimated usesage is 40 litres per minute. Drill contracts will specify environmentally friendly, biodegradable products to be used. All drill water will be collected, suspended particles allowed to settle and removed to ensure water quality is not compromised. Drilling will be land based which will allow the disposal of drill cuttings in topographic lows. Any discharge of water will be confined by pits and tanks as necessary so no contaminated water will be allowed to return to source.

8. WASTE (for each type of waste describe: composition, quantity, methods of treatment and disposal, etc.)

_X_ Sewage	**_X_** Waste oil
_X_ Solid Waste	**_X_** Greywater
_ X_ Hazardous	**_X_** Sludges
__ Bulky Items/Scrap Metal	___ Other (describe):_____

Sewage (Sanitary & Greywater): to be contained in a latrine pit, treated with lime & buried at time of camp shutdown. Pit will be as far as is reasonably possible from any body of water.
Garbage: burnable solid waste will be burned in a vented, base-fuel feed barrel; nonburnables and any hazardous waste, and waste oil will be backhauled to an approved disposal site arranged by the expediting company hired to service the camp. Any sludges from drilling and till sample washing will be contained in a sump or tank, allowed to settle and prevented from entering any body of water.
All materials will be removed upon camp shutdown.

9. PERSONS OR PROPERTIES AFFECTED BY THIS UNDERTAKING (give name, mailing address and location; attach if necessary) **None- Work area is remote .**

Land Use Permit

DIAND	**__** Yes	**_X_** No	If no, date expected **~July 10/01**
Regional Inuit Association	**__** Yes	**__** No	If no, date expected **Work not on Inuit owned Lands**
Commissioner	**__** Yes	**__** No	If no, date expected _____

10. PREDICTED ENVIRONMENTAL IMPACTS OF UNDERTAKING AND PROPOSED MITIGATION MEASURES (direct, indirect, cumulative impacts, etc.)

NIRB Screening **__** Yes **_X_** No If no, date expected **~July 10/01**

11. INUIT WATER RIGHTS

Will the project or activity substantially affect the quality, quantity, or flow of water flowing through Inuit Owned Lands and the rights of Inuit under Article 20 of the Nunavut Land Claims Agreement? **No.**
All work will be conducted in a professional and environmentally sound manner to ensure that the impact on local water bodies is negligible and water quality is not compromised and local flora and fauna is not adversely affected by our activities. Work will be of a temporary nature and of short duration.

11. (Continued)

If yes, has the applicant entered into an agreement with the Designated Inuit organization to pay compensation for any loss or damage that may be caused by the alteration. If no compensation agreement has been made, how will compensation be determined?

12. CONTRACTORS AND SUB-CONTRACTORS (name, address and functions)

To be decided. All contractors will be experienced in conducting exploration in arctic conditions.

13. STUDIES UNDERTAKEN TO DATE (list and attach copies of studies, reports, research, etc.)

None.

14. THE FOLLOWING DOCUMENTS MUST BE INCLUDED WITH THE APPLICATION FOR THE REGULATORY PROCESS TO BEGIN

Supplementary Questionnaire (where applicable: see section 5) _**X**_ Yes __ No If no, date expected _____

Inuktitut/English Summary of Project __ Yes _ **X** _ No If no, date expected **ASAP**

Application fee $30.00 (c/o of Receiver General for Canada) _ **X** _ Yes __ No If no, date expected **enroute-mail**

15. PROPOSED TIME SCHEDULE

Based on current results, exploration program is expected to be multi year.

_ _ Annual (or) _ **X** _ Multi Year

Start Date: _**JULY /01**_ _ Completion Date: _**JULY /03**_ **(seasonal activity)**

Lynn Grexton	**Geologist**		**May 31, 2001**
Name (Print)	**Title (Print)**	**Signature**	**Date**

For Nunavut Water Board use only

APPLICATION FEE **Amount: $_____** **Receipt No.:**

WATER USE DEPOSIT **Amount: $_____** **Receipt No.:**

Major General Resources Ltd.
Diamond Exploration Program Summary
Victoria Island, Tahoe Lake Area

Major General Resources in conjunction with several partners (Ascot Resources, Monopros Limited, DiaMet Minerals) has been exploring for diamonds in the Tahoe Lake area since 1993. The program planned for 2001 to 2003 is a continuation of previous work.

More than 20 targets have been identified as possible kimberlite pipes within an area in excess of 300 km^2. Prior to testing the targets by diamond drilling, local ground magnetic surveys will be completed in order to verify and prioritize the targets. Selected targets will be tested using a diamond drill to retrieve core for diamond analyses. All drill setups will be land based. Drill holes will be shallow. Vertical holes are expected to be 100 to 200 m long and angled holes 200 to 300 m long. Time to complete each hole is estimated at 3 to 4 days and 1 or 2 days to mobilize the drill rig to and from the site. A helicopter will be used to move the drill between sites.

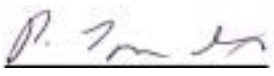
A series of kimberlite dykes have been identified on the east portion of the project area. In order to collect samples for diamond analyses, small pits will be dug at selected locations along the dykes. A very small, self-propelled excavator will be used to dig the pits.

Regional exploration will be completed as follow-up to our previous surveys. This work will involve till sampling and airborne helicopter surveying. As time permits, local ground surveys may be completed to confirm any anomalies found by the airborne surveying.

We are requesting permission to have a temporary campsite central to the area of drilling. An existing permitted campsite is available roughly 50 km southeast of the work area but daily mobilization of crews would be much more costly and hazardous.

Experienced, northern contractors will be hired to supply and service the camp. Drilling will be completed by a reputable drilling company experienced in working in the arctic. All phases of the work and camp operation will be completed in a professional and environmentally sensitive manner. Regional work can be expected to result in very minimal environmental disturbance. Drilling at each target will be very short term. Mobilization of the excavator between pits will be over flat, rocky terrain and can be expected to result in minimal disturbance. Every effort will be made to occupy a small footprint at each site. All pits will be backfilled. At the end of the program all equipment and materials will be back hauled to Cambridge Bay and /or Yellowknife and a best effort will be made to return the occupied areas to a natural condition.

Respectfully submitted,
MAJOR GENERAL RESOURCES LTD.



Lynn Grexton (Geologist)
May 31, 2001

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EXPLORATION/ REMOTE CAMP
SUPPLEMENTARY QUESTIONNAIRE

Applicant: **Major General Resources Ltd.** **Licence No: _____**
(For NWB Use Only)

ADMINISTRATIVE INFORMATION

1. Environment Manager: **To Be Decided** Tel: _____ Fax: _____E-mail:_____

2. Project Manager: **Bernard Kahlert** Tel: **604-685-5254** Fax**604-685-2814**
   E-mail: **drafting@majorgeneral.com**
3. Does the applicant hold the necessary property rights? **Yes-mineral claims, copies of claim transfer documents enclosed for the MON claims which was submitted ~May18 to the mining recorder.**

4. Is the applicant an 'operator' for another company (i.e., the holder of the property rights)?
   If so, please provide letter of authorization. **No**

5. Duration of the Project **This work is a continuation of exploration which began in 1993 and carried out by our various partners (Ascot Resources, Monopros Ltd.)**
   [ ] Annual
   [**X**] Multi Year:
   If Multi-Year indicate proposed schedule of on site activities
   Start: **July/01** Completion: **July/03 (seasonal)**

CAMP CLASSIFICATION

6. Type of Camp **July/01-July/02**
   [ ] Mobile (self-propelled)
   [**X**] Temporary
   [**X**] Seasonally Occupied: **Proposed site selected for year 1 work**
   [ ] Permanent
   [ ] Other:_____

7. What are the design population of the camp and the maximum population expected on site at one time? What will be the fluctuations in personnel?

Usually there will be a max of ~10 people residing at the campsite, on a temporary basis an overlap of crew change and visitors may happen and a maximum of 20 people may be present.

8. Provide history of the site if it has been used in the past. **Has not been used by ourselves or our partners in previous work.**

CAMP LOCATION

9. Please describe proposed camp location in relation to biogeographical and geomorphological features, and water bodies.
A number of locations have been selected based on a review of topographic maps. The final selection of the site will be made following a field examination immediately prior to mobilizing the field crews. None of these selections are within areas designated as special habitat zones. No campsite will be selected where field examination finds evidence of faunal activity such as the presence of caribou. One or two of the potential campsites are on an esker. All are proximal to a lake.

10. How was the location of the camp selected? Was the site previously used? Was assistance from the Regional Inuit Association Land Manager sought? Include maps and/or aerial photographs.
Potential campsites were selected from topographic maps (1:50,000) on the basis of higher ground in close proximity to a lake on which a twin otter can land/takeoff. The area is characteristically rocky and wet with relatively few good camp locations.

11. Is the camp or any aspect of the project located on:

[**X**] Crown Lands Permit Number (s)/Expiry Date: **Application under review**
[ ] Commissioners Lands Permit Number (s)/Expiry Date: _____
[ ] Inuit Owned Lands Permit Number (s)/Expiry Date: _____

12. Closest Communities (distance in km): **Cambridge Bay ~200 km to approximate centre of work area.**

13. Has the proponent notified and consulted the nearby communities and potentially interested parties about the proposed work? **Expediters, supply companies and contractors hired to set-up and service the camp / work program will be northern contractors. The hiring of personnel will be at their discretion.**

14. Will the project have impacts on traditional water use areas used by the nearby communities? Will the project have impacts on local fish and wildlife habitats?
Area is remote so there will be no effect on local communities. Work will be of a short term temporary nature. Areas of wildlife activity will be avoided. All pumps drawing water will be equipped with a fine screening device at the end of the suction device to prevent the intake of fish. Work will be conducted in a manner to minimize *any* adverse impact. Footprint of the drill and campsite will be kept to a minimum.

PURPOSE OF THE CAMP

15. X Mining **Mineral Exploration**
  Tourism (hunting, fishing, wildlife observation, adventure/expedition, etc.)
(Omit questions # 16 to 21)
Other _____ (Omit questions # 16 to 22)

16. Preliminary site visit
  Prospecting
  Geological mapping
X Geophysical survey
X Diamond drilling
  Reverse circulation drilling
  Evaluation Drilling/Bulk Sampling (also complete separate questionnaire)
X Other: **Regional till sampling**

17. Type of deposit:
  Lead Zinc
X Diamond
  Gold
  Uranium
  Other: _____

DRILLING INFORMATION

18. Drilling Activities
X Land Based drilling
  Drilling on ice

19. Describe what will be done with drill cuttings? **Cuttings will be directed into a topographic low and contained in a manner to prevent inadvertent transport into a waterbody**

20. Describe what will be done with drill water?
Drill water will be contained in a manner (such as a tank or sump) where particulate matter can settle out or be filtered as necessary to prevent inadvertent transport into a waterbody.

21. List the brand names and constituents of the drill additives to be used? Includes MSDS sheets and provide confirmation that the additives are non-toxic and biodegradable.
Drill contracts will specify that all drill additives will be biodegradable and non-toxic . A request will be made to the drilling company to supply the MSDS sheets and any other documentation necessary in order to confirm this requirement. As yet the contract has not been let. A reputable drilling company will be selected for this work program and will have experience in working in the arctic.

21. Will any core testing be done on site? Describe. **No**

SPILL CONTINGENCY PLANNING

23. Does the proponent have a spill contingency plan in place? Please include for review.
See the attached Sheet 1.

24. How many spill kits will be on site and where will they be located?

A minimum of two spill kits will be on hand-one proximal to the fuel cache located at the campsite and one at the drill site.

25. Please describe the types, quantities, and method of storage of fuel and chemicals on site, and provide MSDS sheets.
Aviation and diesel fuel will be stored in 45 gal. (205 litre) drums, stored in quantities of less than 20 drums, as far as is reasonably possible from a body of water and safe distance from camp facilities. Several small caches of aviation and lessor diesel fuel (less than 10 drums) will be stored on a very temporary basis along flight lines to select drill targets. Fuel storage will be kept to a minimum and empty drums will be backhauled to Cambridge Bay. Drums will be examined for damage and leaky bungs.
100 lb tanks of propane
Drill materials will be either in drums or as dry material in bags and will be stored in a manner to prevent contamination of water bodies.

WATER SUPPLY AND TREATMENT

26. Describe the location of water sources.
Lake

27. Estimated demand (in L/day * person):

X ☐ Domestic Use: **20 litres per person per day** Water Source: **Lake**
X ☐ Drilling Units: **40 litres per minute** Water Source: **Lake**
☐ Other: _____ Water Source: _____

28. Describe water intake for camp operations? Is the water intake equipped with a mesh screen to prevent entrapment of fish? Describe:
Small pump. Sufficiently fine mesh will be affixed to intake immediately below footvalve at water source intake. Contractors who will supply & erect the camp facility are highly experienced in NWT and Nunavut and will provide proper equipment.

29. Will drinking water quality be monitored? What parameters will be analyzed and at what frequency?
We are unaware of problems with water quality, and have been involved in diamond exploration in the region since 1993.

30. Will drinking water be treated? How?
Should be unnecessary

31. Will water be stored on site?

Unlikely.

WASTE TREATMENT AND DISPOSAL

32. Describe the characteristics, quantities, treatment and disposal methods for:

 Camp Sewage (blackwater)

 Camp Greywater

Camp use: water to be used for domestic purposes (and sample washing during till sampling); usually there will be a max of ~10 people residing at the campsite. Water consumption is estimated at 20 litres per person per day. Any discharge of water will be confined by pits and tanks as necessary so no contaminated water will be allowed to return to source. Sewage (Sanitary & Greywater): to be contained in a latrine pit, treated with lime & buried at time of camp shutdown. Pit will be as far as is reasonably possible from any body of water.

 Solid Waste

Garbage: burnable solid waste will be burned in a vented, base-fuel feed barrel; nonburnables and any hazardous waste, and waste oil will be backhauled to an approved disposal site arranged by the expediting company hired to serviced the camp. All materials will be removed upon camp shutdown.

 Bulky Items/Scrap Metal **–all materials to be backhauled to CambridgeBay**

 Waste Oil/Hazardous Waste **–all materials to be collected in an appropriate manner and backhauled to Cambridge Bay**

 Empty Barrels/Fuel Drums **- backhauled to CambridgeBay and or Yellowknife on a regular basis**

 Other:

33. Please describe incineration system if used on site. What types of wastes will be incinerated?

Garbage: burnable solid waste; in a vented, base-fuel feed barrel;

34. Where and how will non-combustible waste be disposed of ? If in a municipality in Nunavut, has authorization been granted?

Will be backhauled to an approved disposal site arranged by the expediting company hired to service the camp. All materials will be removed upon camp shutdown.

35. Describe location (relative to water bodies and camp facilities) dimensions and volume, and freeboard for sumps (if applicable).

Not really applicable to a small temporary exploration camp. Any sump deemed necessary for safe disposal of camp waters will be constructed in a manner to minimize environmental impact, will be as far away from water bodies/camp facilities as is reasonably possible and will be backfilled upon camp shut down.

36. Will leachate monitoring be done? What parameters will be sampled and analyzed, and at what frequency?

Not really applicable to a small temporary exploration camp.

OPERATION AND MAINTENANCE

37. Have the water supply and waste treatment and disposal methods been used and proven in cold climate? What known O&M problems may occur? What contingency plans are in place?

Yes. O & M problems not really applicable to a small temporary exploration camp.

ABANDONMENT AND RESTORATION

38. Provide a detailed description of progressive and final abandonment and restoration activities at the site.

Occupancy of the site will be very short duration, effort will be made to occupy a small footprint thus keeping disturbances to a minimum. All materials will be removed from the site, all pits filled in and a best effort made to return the site to a natural condition.

BASELINE DATA

None currently being collected at this grassroots stage of the program.

39. Has or will any baseline information be collected as part of this project? Provide bibliography.

- Physical Environment (Landscape and Terrain, Air, Water, etc.)
- Biological Environment (Vegetation, Wildlife, Birds, Fish and Other Aquatic
- Organisms, etc.)
- Socio-Economic Environment (Archaeology, Land and Resources Use, Demographics, Social and Culture Patterns, etc.)
- Other:

REGULATORY INFORMATION

40. Do you have a copy of

- ☐ Article 13 - Nunavut Land Claims Agreement
- X ☐ NWB - Water Licensing in Nunavut - Interim Procedures and Information Guide for Applicants
- ☐ NWB - Interim Rules of Practice and Procedure for Public Hearings
- ☐ NWTWB - Guidelines for the Discharge of Treated Municipal Wastewater in the NWT
- ☐ NWTWB - Guidelines for Contingency Planning
- ☐ DFO - Freshwater Intake End of Pipe Fish Screen Guideline
- ☐ Fisheries Act - s.35
- ☐ RWED - Environment Protection- Spill Contingency Regulations
- ☐ Canadian Drinking Water Quality Guidelines
- ☐ Public Health Act Camp Sanitation Regulations
- ☐ Public Health Act Water Supply Regulations
- X ☐ Territorial Land Use Act and Regulations

You should consult the above document, guidelines, and legislation for compliance with existing regulatory requirements.

Sheet 1
MAJOR GENERAL RESOURCES LTD.
Fuel Spill Contingency Plan For Drill Sites and Exploration Camps

To avoid fuel spills, fuel drums will be examined for damage as they are brought to the storage area. Crews will be instructed to transfer both drums and fuel with due care. For drums used to supply fuel to camp heaters, containers will be affixed to the drum in a manner to catch drips. Amount of fuel stored at the camp and drill sites will be kept to a minimum but with consideration for the safety of personnel and the possibility of an interruption of supplies due to bad weather.

Areas of fuel storage will be examined for evidence of leakage on a regular basis. Spills will be reported immediately to an on site supervisor who will assess the severity of the leak and either take steps to contain and remove it or contain it and request aid from the proper government authorities. Contact information pertaining to 24 hour NWT Spill Reporting will be prominently displayed on all spill kits.

Type of action taken to contain and remove spilled material will depend on the material on which the spill has occurred. An immediate assessment will be made to ensure safety in terms of the potential for fire or explosion. Any potential ignition sources will be identified and removed or isolated if possible.

1. Spills on land, snow or ice will be prevented from migration on surface by utilization of berms, ditching, use of synthetic impervious materials and the use of absorbent materials as deemed appropriate.

Spilled material will be recovered through the use of shovels, pumps and the use of absorbent pads / mats.

2. Spills on open water will be contained immediately to restrict size and extent of the spill through the use of booms, absorbent materials and skimming. If necessary specialized equipment will be used to filter the fuel from the water. Shorelines will be examined and cleaned if contaminated.

3. Disposal of the contaminated materials will be as advised by government authorities. In-situ burning of the fuel may be considered if deemed to be a safe and effective alternative for the removal and or disposal of the fuel.

4. Site remediation will be completed as per the advice of government authorities.

LOCATION MAP