


**MAJOR GENERAL
RESOURCES LTD.**

1550 - 409 Granville Street
Vancouver, B.C. Canada V6C 1T2
Tel: (604) 685-5254
Fax: (604) 685-2814

NW B2TAH

GENERAL	
LA	
GM	
TA	
HJ	
ST	
ED	
CEO	
BRD	
EXT.	

May 22, 2002

Phyllis Beaulieu
Acting Licensing Administrator
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU
X0B 1J0

Dear Phyllis:

As you know Major General Resources Ltd. is in the process of initializing our mobilization of camp and drill gear to the Tahoe Lake area of Victoria Island, Nunavut.

However, further interpretation of airborne geophysical data suggests that a number of favourable magnetic anomalies (outlined as dots on the accompanying map) exist to the north and northeast of the area outlined in our current Water Licence NWB2TAH0103.

Most of these newly discovered target areas have been or will be staked by Major General in the very near future. It is our intention to then carry out preliminary airborne geophysics on these newly acquired claims followed by grid establishment, ground magnetometer surveying, till sampling and prospecting; all of which do not require a Water Licence.

A large majority of these newly acquired targets will be accessed from our current winter/early summer camp location, however, many of the targets are situated in the vicinity and well to the north of the Tuktu River. As such it would be safer and more cost effective for Major General and its contractors to establish a secondary campsite at the previously permitted (Monopros) Tuktu camp located at 70° 46' 06" N, 109° 10' 18" W. (Presently it is our belief that this site is completely decommissioned and reclaimed as per personal communication with Willy Laserich, Chief Pilot of Adlair Aviation Ltd. in Cambridge Bay).

Once the preliminary exploration work has been conducted on these targets (50-60) I would envision that up to 20 of these would be drill tested over the next two years.

Of course without the detailed results of the preliminary work program it is impossible to say which targets will be drilled at the present time.

020522TAH letter re camp - ILAE

Page 2
Nunavut Water Board
May 23, 2002

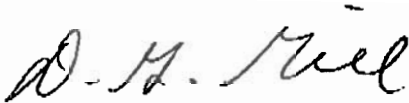
As this proposed program is a direct continuation of the work outlined in the application for our current Water Licence do you think that an amendment request to Licence # NWB2TAH0103 would be the most efficient and timely manner in which to proceed in gaining approval for this concept?

Of course all conditions annexed in our current Licence as well as the Fuel Spill Contingency Plan would remain in effect.

I will call you today to discuss this matter in more detail.

Yours very truly

MAJOR GENERAL RESOURCES LTD.



D. Graham Gill, P. Geo
Project Manager

DGG:mm