



**MAJOR GENERAL
RESOURCES LTD.**

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March 28, 2002

Rita Becker
Licensing Administrator
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU
X0B 1J0



Dear Rita:

In compliance with PART B: GENERAL CONDITIONS of the NWB Licence No. NWB2TAH0101 issued to Major General Resources Ltd. on July 11, 2001, please find enclosed a summary report of water usage, discharge, Contingency Plan revisions, reclamation and waste disposal for the 2001 exploration program.

Yours very truly

MAJOR GENERAL RESOURCES LTD.

D. Graham Gill, P. Geo
Project Manager

DGG:mm

ANNUAL SUMMARY REPORT
AS PER PART B: GENERAL CONDITIONS
OF WATER LICENCE No. NWB2TAH0101

In the summer 2001 Major General Resources Ltd. conducted a small ground geophysical program on several anomalies on their minerals claims located on Victoria Island. The work was conducted between June 21 and July 31, 2001 and consisted of the establishment of small grids totalling 67 line kilometres utilizing GPS, survey prism, picket sighting and tight chain measuring. Subsequently these grids were surveyed using GEM GSM-19 magnetometers.

The field crew for this program consisted of one geophysicist, one technical consultant, two field helpers and one helicopter pilot. The crew was based in Cambridge Bay for the duration of the program and accessed the property via helicopter on a daily basis.

PART B: GENERAL CONDITIONS

1 i) As the 2001 exploration program was based solely in Cambridge Bay no water use or waste disposal activities are being reported.

1 ii) No unauthorized discharges occurred during the 2001 program.

1 iii) Revision to Contingency Plan.

As per the letter from the Nunavut Water Board to Major General Resources Ltd. dated August 13, 2001 requesting further details concerning spill contingencies, please find attached to this report a resubmission of the FUEL SPILL CONTINGENCY PLAN.

1 iv) No progressive reclamation work was undertaken on the property as no surface disturbance occurred during the reporting period.

1 v) No other details on water use or waste disposal was requested by the Board by November 1, 2001.

D. G. Gill, P. Geo
Projects Manager
Major General Resources Ltd.



