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## MAJOR GENERAL RESOURCES LTD.

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## FACT SHEET February 1991

### COMPANY DATA

Trading Symbols: MGJ-V, MGJ, WT, A-V  
Prices (as at 1/24/91)  
Common Shares: \$0.40-\$0.50  
Range (Jan. 12/90-Jan. 24/91)  
Common Shares: \$0.40-\$1.50  
Common Shares Outstanding: 5,155,052  
Fully Diluted: 6,169,880  
Estimated Float: 1.4 million  
Market Capitalization: \$2.3 million

### SUMMARY

Major General, an emerging exploration company poised for continued and rapid growth, holds interests in a total of 43 properties across Canada, primarily Newfoundland, Ontario and the Cordilleran region of B.C., 26 of which are wholly-owned. The company's mission in 1991 is:

- to carry out effective exploration
- to use UMEX Inc. property portfolio and database to create opportunities for Major General and its shareholders
- to generate working capital through property farm-outs
- to outperform peers in the junior resource sector
- to create value for shareholders
- to obtain additional exploration funds on favourable terms

Major General is now followed by five mining analysts, and by an industry newsletter as one of only eight VSE-listed companies in a short list of 31 that are "noteworthy."

### ASSETS

- Interests in 43 properties across Canada including significant mineral inventories at:  
*Rendell-Jackman, Nfld.:* 430,000 tons @ 0.34 opt Au (cut)  
*Dorothy Lake, Ont.:* 240,000 tons @ 0.18 opt Au  
*Tam, B.C.:* 7.2 million tons @ 0.55% Cu plus Au and Ag credits
- The UMEX Inc. database. This database resulted from expenditures of \$9.3 million from the late 1960s to 1988 on properties now owned by Major General. It includes extensive, unreleased documentation of regional exploration programs and 27,000 metres of drill core.
- One of the five largest property owners in B.C.'s Omineca porphyry copper-gold belt.
- Proven, professional management
- Active investor relations program

### RECENT EVENTS

- A \$200,000 bank line of credit arranged to finance drilling at three Pickle Lake, Ontario properties. Targets: gold and base metals (1/91).
- Varitech Resources Ltd. discovered four extensive copper-gold and copper anomalies on the TAM property (10/90).

- Major General and two partners completed major staking program (~149 sq. miles) in the Omineca porphyry copper-gold district of British Columbia based on technical data developed by UMEX Inc. from 1969-76. Major General is now among the largest land holders in the district and plans, with its partners, to option interests to juniors (8/90). Eight of 13 properties optioned to a third party (12/90).
- Varitech optioned a 50% interest in Tam project for cash, shares, and exploration expenditures (6/90).
- Major General completed acquisition of 32 Canadian mineral properties held by UMEX Inc., a subsidiary of ACEC-Union Minière of Belgium (4/90).
- Noranda announced geologic reserves at Rendell-Jackman (3/90).
- Major General earned its 50 percent interest in the Rendell-Jackman gold property through expenditures of \$1.23 million. A 50/50 joint venture has been formed with Noranda with exploration to continue on a shared basis (2/90).

### PROPERTY HIGHLIGHTS

**Rendell-Jackman**—Drilling on Hammer Down gold zone has outlined a high-grade gold deposit; preliminary economic studies are under way. Additional gold exploration potential exists at the Muddy Shag and Rendell-Jackman showings and for base metals. Current geological reserves: 430,000 tons grading 0.34 ounces gold per ton cut and 0.57 ounces gold uncut. Noranda Exploration Company, Limited (NPL) is the operator. Major General's interest: 50%.

**Dorothy Lake**—This wholly-owned, strategically-positioned gold property straddles the same regional structure as Bond Gold (Canada) Inc.'s nearby Golden Patricia Mine. Drilling by Major General in 1990 included results up to 13.8 ounces gold per ton across 0.5 metres. Geophysical work identified five new conductors, one of which is within one km of Bond Gold's new Tonsil Lake high-grade gold discovery. Targets: high-grade, vein-type gold deposits.

**Meen Lake, Ont.**—Located 25 km northwest of Golden Patricia Mine. Geophysical work in 1991 identified a 1.8 km-long conductor more intense than Dorothy Lake's Main Zone. Seven holes planned to test these and other geophysical targets. Targets: gold and base metals. Major General's interest: 100%.

**McVean Lake, Ont.**—Target: high-grade, vein-type gold deposit like former producers in the Pickle Lake camp. Four holes under way to test geophysical targets. Major General's interest: 100%.

**Tam**— This porphyry copper-precious metals project is located in the Omineca Belt northwest of Placer Dome's Mt. Milligan copper-gold deposits. The geologic setting is similar to Kennecott Canada Inc.'s Lorraine copper/gold deposit 10 km to the SE, and to Mt. Milligan. Last drilled in 1975, TAM results include 37 m @ 1.66% copper. Sampling of Boundary deposit core and soil geochemical surveys on portions of the property in 1990 confirmed the presence of gold in the system. Drilling planned in 2Q 1991. Varitech Resources Ltd. may earn a 50% interest in the TAM project. Targets: large tonnage, porphyry copper/gold deposits.

Major General, funded by industry partners, has increased its property interests in this belt to 1,540 units (149 sq. miles) among 14 claim groups based on UMEX Inc.'s technical database.

**Blondin Lake, Ont.**—Prospecting, mapping, and geophysical work completed in 1990. Five conductors outlined. The geologic setting is believed analogous to Placer Dome's Campbell Mine and to the nearby Springpole project held by Akiko-Lori and Noranda. Potential for gold and base metal massive sulphides. Major General's interest: 100%.

#### **DIRECTORS AND MANAGEMENT**

**Richard C. Atkinson, P.Eng.**  
Chairman of the Board and Director

Atkinson, a mining engineer, brings over 20 years' experience with resource companies and a network of worldwide contacts to Major General. A founder and former president of Getty Resources, he was instrumental in forming the investor group which purchased for \$10 million the Canadian exploration properties of the Getty Oil Company in July 1986. Getty Resources was subsequently acquired by TOTAL Compagnie Française des Pétroles in January 1988 for \$140 million. Atkinson is Major General's largest individual shareholder.

**Byard H. MacLean, P.Eng.**  
President and Director

MacLean, a metallurgical and civil engineer, has provided technical services for, and managed resource companies for more than a decade. He has been president since July 1988 when the company held an option on a single property.

**Bernard H. Kahlert, P.Eng.**  
Vice-President, Exploration

Kahlert has 25 years' experience in mineral exploration, mostly in Australia, Canada and the United States. Recently a consulting geologist primarily for the Bema Group of companies, he was formerly exploration manager for the western mining divisions of the Amoco Oil Company in Canada and Australia.

**Victor H. Bradley, C.A.**  
Secretary, Chief Financial Officer and Director

Bradley is chairman of the board of Queenstake Resources Ltd. As the former chief financial officer of Getty Resources Limited, Bradley negotiated over \$49 million in exploration and corporate funding.

**Jonathan A. Rubenstein, LL.B.**  
Director

Rubenstein is a solicitor in private practice in British Columbia. A founder and significant shareholder of Major General, Rubenstein is a director of other resource companies.

**Donald D. Sharp, C.A.**  
Director

A chartered accountant and financial consultant to resource firms, Sharp has held senior positions in exploration and mining companies during the last 20 years. He is president of Golden Sitka Resources Inc. and secretary-treasurer of Pass Lake Resources Ltd., companies that are active in precious metals exploration in Alaska and B.C.

**John V. Tully**  
Vice-President, Mining

Tully is vice-president of mining for a private U.S. gold exploration company and has acted as a consulting geological engineer for Derry, Michener, Booth & Wahl, and project manager for joint ventures on three Ontario gold properties since 1983. Partners in these joint ventures included Esso Minerals and Union Carbide.

**Paul W. LaFontaine**  
Director of Investor Relations

LaFontaine, as manager of investor relations of Getty Resources and TOTAL Energold Corporation, developed investor communications programs for exploration and gold-producing companies. He is also a founder and past president of the B.C. Chapter of the National Investor Relations Institute, and a director of NIRI Canada.

#### **FINANCIAL HIGHLIGHTS**

*As at Sept. 30, 1990 and 1989, and December 31, 1988*

	1990	1989	1988
Working Capital	\$ 205,687	\$ 274,558	\$ (17,925)
Total Assets	2,662,442	1,151,696	724,109
Share Capital	3,044,695	1,324,271	694,544

#### **SIGNIFICANT SHAREHOLDERS**

Richard C. Atkinson, Vancouver	909,772
Robert H. Allen, Houston	538,422
Directors, Officers, other founders	795,057
European Mining Finance, London	250,000
Waverly Mining Finance, Edinburgh	170,000
Remik Investments Limited, Johannesburg	80,000

2,693,254\*

\*As percent of Issued and Outstanding: 52.5

#### **CORPORATE DATA**

**Head Office**  
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**Transfer Agent**  
NATIONAL TRUST COMPANY, Vancouver

**Counsel**  
RUBIN HAWES & COMPANY, Vancouver

**Auditor**  
G. ROSS McDONALD, C.A., Vancouver

**Mining Analyst Commentary**  
McDERMID ST. LAWRENCE: 12/89, 3/90  
YORKTON CONTINENTAL: 2/90, 5/90  
BRINK, HUDSON & LEFEVER: 2/90  
MIDLAND WALWYN: 6/90, 7/90

**Investor Relations Contact**  
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