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Third Canadian General
Investment Trust Limited

Canadian and
International
Fund of Funds

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FIRST QUARTER REPORT

March 31, 2001

Letter to the Shareholders

The bearish performance of Canadian and most equities markets was extended through the first quarter of 2001. Nevertheless, continuing positive events among Third Canadian's actively managed non-principal assets partly offset further deterioration experienced with the long-term major holdings of the portfolio.

Many of the non-principal assets are important in income generation. Consisting mainly of Canadian, U.K. and U.S. listed securities, these actively managed assets are mostly investments in other funds, asset managers and various special situations. The high-income stream from many of these investments boosted total portfolio yield at market to a high 7.7% at quarter-end, up from 6.6% at year-end and much above the TSE 300 yield of 1.6%.

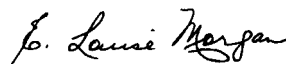
New holdings supporting the drive for income were Royal Bank of Canada and Sherritt International Corporation. Sherritt provides one of the best dividend yields in the Canadian market and dividends can be sustained for as long as cash flows from the nickel mine continue to be healthy.

Other acquisitions were Massey Energy Company, capturing the strength of the U.S. coal sector, and additional units in the broadband and semiconductor trusts to give the portfolio participation in any revival of the technology sectors in the U.S.

Many high-quality U.K. based financial asset managers gave up gains secured last year as companies in this group worldwide underwent a correction in response to the more bearish environment. We expect recovery as markets improve. The recently acquired newly formed asset manager Lindsell Train Investment Trust PLC has traded consistently above the issue price. Third's investment in London Stock Exchange PLC increased by 26.1% in market value in the latest quarter and in our view has considerable further potential.

The share price of Third's major holding, the common shares of Canadian General Investments, Limited (CGI), still representing approximately two-thirds of the portfolio, moved down to around the \$9 level, reflecting mainly the paying out of the \$2 capital gains dividend in cash and new shares in late December. On a positive note, the decline in CGI's fully diluted net asset value per share, with distributions reinvested, for the three months ended March 31, 2001 was 7.2%, approximately half of the 14.5% decrease of the benchmark TSE 300 Total Return Index.

The Manager hopes to continue to capitalize on the strong performance of the diversified segment of the portfolio both in terms of growth and income generation.



E. Louise Morgan
Chairman



Michael A. Smedley
President

Management's Discussion and Analysis

Third Canadian's portfolio performance was negatively impacted by the decline in the market value of its principal assets, represented by the shares and warrants of Canadian General Investments, Limited (CGI) and the shares of Canadian World Fund Limited (CWF). Despite the continued negative state of global equity markets, the market value of the non-principal asset segment of the portfolio, which also has international content, increased by 7.7% from year-end.

Operations

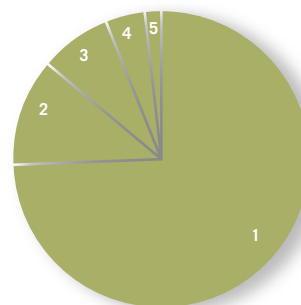
For the three-month period ended March 31, 2001, total investment income increased by 15.6% to \$926,000 from \$801,000 for the same period last year. This can be attributed to an increase in the amount of dividends received from CGI as well as higher distributions from the various unit trusts held in the Canadian-listed segment of the portfolio.

Expenses increased moderately by 3.4% to \$421,000, largely a result of higher interest costs on the \$15,000,000 borrowing. However, the Company should benefit in the current year from lower interest costs, expected to decline as a result of the apparent pressures on the economy and the lowering of rates in the U.S. and Canada. Management fees remained flat compared to the prior year and are calculated quarterly in arrears at the annual rate of 1% of consolidated net asset value, excluding tax liabilities, bank indebtedness and the holdings of the principal assets and at the rate of 0.2% of the market value of the principal assets.

On March 15, 2001, the Company paid a quarterly dividend of \$0.075 per share, the same amount as in the prior first quarter. Also, on April 4, 2001, the Board declared a quarterly dividend of \$0.075 per share to be paid on June 15, 2001 to shareholders of record on May 31.

WEIGHTING OF PORTFOLIO INVESTMENTS AT MARKET

March 31, 2001



1 Principal Assets	74.4%
2 Canadian-Listed	11.7%
3 U.S.-Listed	7.8%
4 U.K.-Listed	4.3%
5 Other	1.8%

INVESTMENT PORTFOLIO TEN LARGEST INVESTMENTS

March 31, 2001

Company	Market Value (000's)	% of Market Value of Total Investment Portfolio
Canadian General Investments, Limited	\$73,859	70.6
Canadian World Fund Limited	3,921	3.8
Asset Management Investment Company PLC	2,712	2.6
Sheritt International Corporation	1,716	1.7
Lifeco Split Corporation Inc.	1,246	1.2
Rothmans Inc.	1,173	1.1
Viking Energy Royalty Trust	1,032	1.0
Shiningbank Energy Income Fund	984	0.9
London Stock Exchange PLC	975	0.9
Danier Leather Inc.	855	0.8
Totals	\$88,473	84.6

Net Assets

At March 31, 2001, net assets were \$89,271,000, down 9.9% from the year-end value of \$99,056,000 and down 15.0% from the end of March 2000. The decline in net asset value can be largely attributed to the decline in market value of the Company's principal assets, down 12.3% from year-end and 26.6% from the end of March 2000.

Net realized gain on investments for the quarter was \$108,000, compared to a net realized loss of \$308,000 in the first quarter of 2000. Declines in market prices over the three months led to a decrease in unrealized appreciation of investments of \$10,134,000, resulting in a \$2,289,000 reduction in the Company's future income tax commitment. Comparatively, the first quarter of 2000 showed an increase of \$6,443,000 in unrealized appreciation of investments.

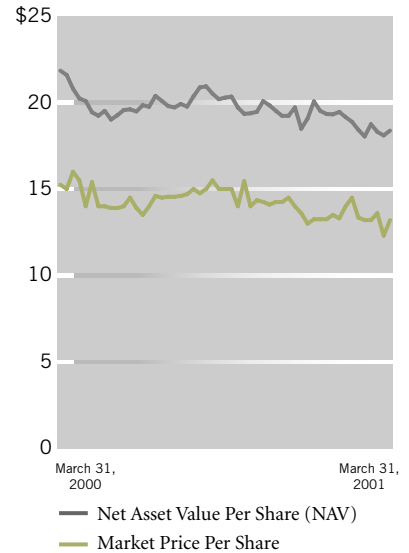
For the three months ended March 31, 2001, net asset value per share, with distributions reinvested declined 9.5%. This was considerably better than the TSE 300 Total Return Index, which declined 14.5% over the same period.

Outlook

Strength in the oil and gas sector looks likely to continue and we expect strong distributions from the trusts to continue to flow through at or close to today's high levels. A recovery in the principal assets would of course result in a major uplift in Third Canadian's net assets.

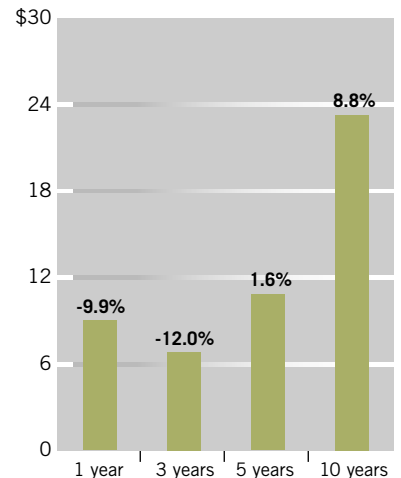
COMPARISON OF MARKET PRICE TO NAV

Twelve months ended March 31, 2001



GROWTH OF A \$10,000 INVESTMENT*

For 1, 3, 5 and 10 years to March 31, 2001
(in thousands of dollars)



*Assuming reinvestment of dividends at month-end closing prices.

Consolidated Statements of Net Assets

(Unaudited)

	March 31, 2001	December 31, 2000	March 31, 2000
<i>(in thousands of dollars, except per share amounts)</i>			
Assets			
Investments	\$ 104,578	\$ 113,565	\$ 135,381
Cash	2,840	9,403	1,715
Accrued interest and dividends	203	235	169
Income taxes recoverable	726	–	1,460
	108,347	123,203	138,725
Liabilities			
Bank indebtedness	14,965	14,919	14,969
Payable on securities purchased	–	568	537
Accounts payable and accrued liabilities	67	60	47
Income taxes payable	–	2,267	–
	15,032	17,814	15,553
Future income taxes on unrealized net capital gains	4,044	6,333	18,175
	19,076	24,147	33,728
Net Assets	\$ 89,271	\$ 99,056	\$ 104,997
Shareholders' Equity			
Capital stock	\$ 6,504	\$ 6,504	\$ 6,504
Contributed surplus	2,681	2,681	2,681
Unrealized gain on investments	46,722	56,856	64,190
Retained earnings	33,364	33,015	31,622
	\$ 89,271	\$ 99,056	\$ 104,997
Number of shares outstanding	4,805,910	4,805,910	4,805,910
Net asset value per share	\$ 18.58	\$ 20.61	\$ 21.85

Consolidated Statements of Operations

(Unaudited)

	Three Months Ended	
	March 31, 2001	March 31, 2000
<i>(in thousands of dollars)</i>		
Investment income		
Dividends	\$ 752	\$ 709
Interest	174	92
	926	801
Expenses		
Management fees	138	137
Interest	243	219
Directors' fees	7	9
Other	33	42
	421	407
Investment income before income taxes	505	394
Income tax recovery	(96)	(46)
Net investment income	601	440
Realized and unrealized gain (loss) on investments		
Net realized gain (loss) on investments	108	(308)
Change in unrealized appreciation in value of investments	(10,134)	6,443
Net gain (loss) on investments	(10,026)	6,135
Increase (decrease) in net assets resulting from operations	\$ (9,425)	\$ 6,575

Consolidated Statements of Changes in Net Assets

(Unaudited)

	Three Months Ended	
	March 31, 2001	March 31, 2000
<i>(in thousands of dollars, except per share amounts)</i>		
Increase (decrease) in net assets resulting from operations	\$ (9,425)	\$ 6,575
Distributions to shareholders from net investment income	(360)	(360)
Increase (decrease) in net assets	(9,785)	6,215
Net assets - Beginning of period	99,056	98,782
Net assets - End of period	\$ 89,271	\$ 104,997
Dividends per share	\$ 0.075	\$ 0.075

Consolidated Statements of Net Gain (Loss) on Investments

(Unaudited)

	Three Months Ended	
	March 31, 2001	March 31, 2000
<i>(in thousands of dollars)</i>		
Proceeds from disposition of investments	\$ 2,215	\$ 3,954
Investments at cost, beginning of period	50,376	54,003
Investments purchased during the period	5,514	3,437
Investments at cost, end of period	(53,812)	(53,016)
Cost of investments disposed of during the period	2,078	4,424
Realized gain (loss) on disposition of investments before income taxes	137	(470)
Income taxes on realized net taxable capital gains		
(recovery on allowable capital losses)	29	(162)
Net realized gain (loss) on investments	108	(308)
Change in unrealized appreciation of investments	(10,134)	6,443
Net gain (loss) on investments	\$ (10,026)	\$ 6,135

Consolidated Statements of Retained Earnings

(Unaudited)

	Three Months Ended	
	March 31, 2001	March 31, 2000
<i>(in thousands of dollars)</i>		
Retained earnings - Beginning of the period	\$ 33,015	\$ 31,850
Net investment income for the period	601	440
Net realized gain (loss) on investments	108	(308)
Dividends	(360)	(360)
Retained earnings - End of period	\$33,364	\$ 31,622

Note to Consolidated Financial Statements

The accompanying consolidated financial statements should be read in conjunction with the notes to the company's audited financial statements for the year ended December 31, 2000. These interim consolidated financial statements follow the same accounting policies and methods of their application as the most recent annual financial statements.

Consolidated Statement of Investments

March 31, 2001

NUMBER OF SHARES OR PAR VALUE		MARKET	
		COST	VALUE
<i>(in thousands of dollars)</i>			
PRINCIPAL ASSETS			
7,629,811	Canadian General Investments, Limited	20,969	68,287
1,526,578	Canadian General Investments, Limited wts	—	5,572
1,120,211	Canadian World Fund Limited	5,601	3,921
		<u>26,570</u>	<u>77,780</u>

CANADIAN-LISTED			
6,208	Alberta Energy Company Ltd.	313	434
17,200	Aliant Inc.	568	617
70,000	ARC Energy Trust	662	787
33,600	Centrefund Realty Corporation	519	326
14,400	Corby Distilleries Ltd. B	484	697
90,000	Danier Leather Inc.*	972	855
150,000	EnerMark Income Fund+	555	698
100,000	Gulf Canada Resources Limited pfd. series A	441	374
50,000	Legacy Hotels Real Estate Investment Trust	420	448
77,900	Lifeco Split Corporation Inc. Class A Capital shares+	853	1,246
50,000	Rothmans Inc.	1,052	1,173
10,000	Royal Bank of Canada*	503	472
400,000	Sherritt International Corporation*	1,810	1,716
60,200	Shiningbank Energy Income Fund	235	984
30,000	TimberWest Forest Corp.	331	327
120,000	Viking Energy Royalty Trust	523	1,032
		<u>10,241</u>	<u>12,186</u>

U.K.-LISTED			
31,000	3i Bioscience Investment Trust PLC	302	288
42,000	Aberdeen Asset Management PLC+	556	414
800,000	Asset Management Investment Company PLC	3,262	2,712
100,000	Baring Emerging Europe Trust PLC	137	275
120,000	Collins Stewart Holdings PLC+	921	832
30,000	Edinburgh Fund Managers Group PLC	402	380
130,000	Finsbury Life Sciences Investment Trust PLC	237	462
1,250	The Lindsell Train Investment Trust PLC*	280	319
15,153	London Stock Exchange PLC	878	975
125,000	Premier Asset Management PLC	536	427

NUMBER OF SHARES OR PAR VALUE		MARKET	
		COST	VALUE
<i>(in thousands of dollars)</i>			
U.K.-LISTED (continued)			
111,000	Singer & Friedlander Group PLC	680	617
100,000	Undervalued Assets Trust PLC	446	312
150,000	Warrants and Value Investment Trust PLC	214	193
		<u>8,851</u>	<u>8,206</u>

U.S.-LISTED			
200	Berkshire Hathaway Inc. B	658	686
6,500	Broadband HOLDERS Trust+	645	250
20,000	The European Warrant Fund, Inc.	563	213
20,000	The Gabelli Global Multimedia Trust Inc.	513	323
10,000	General American Investors Company, Inc.	508	536
20,400	INVESCO Global Health Sciences Fund	521	421
10,000	Massey Energy Company*	285	377
10,700	Morgan Stanley Dean Witter Eastern Europe Fund, Inc.	185	207
42,100	Morgan Stanley Dean Witter Emerging Markets Debt Fund, Inc.	467	472
6,000	Semiconductor HOLDERS Trust+	622	393
40,000	Templeton Emerging Markets Income Fund, Inc.	673	659
		<u>5,640</u>	<u>4,537</u>

OTHER			
28,000	The China Heartland Fund Ltd.	444	408
13,000	Fleming Russia Securities Fund Ltd.	326	190
20,000	The India I.T. Fund Limited	829	478
45,000	The India Media, Internet and Communications Fund Ltd. A shares	326	243
31,000	The Taiwan Opportunities Fund Ltd.	585	550
		<u>2,510</u>	<u>1,869</u>

TOTAL INVESTMENTS		
– March 31, 2001	\$ 53,812	\$104,578
– December 31, 2000	\$ 50,376	\$113,565
– March 31, 2000	\$ 53,016	\$135,381

Changes from December 31, 2000

* New Holdings

+ Increased Holdings

Corporate Information – Third Canadian General Investment Trust Limited

Office of the Company

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website: www.mmainvestments.com

Stock Exchange Listings

The Toronto Stock Exchange
Trading Symbol: THD

*The Company is a member of the Closed-End Fund
Association ('CEFA') in North America.*

Canadian Registrar and Transfer Agent

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100 University Avenue

11th Floor

Toronto, Ontario, Canada

M5J 2Y1

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1-800-663-9097

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To change your address, eliminate multiple mailings or
for other shareholder account inquiries, please contact
Montreal Trust at the above address.

Publication

The Company calculates and releases its net asset value per share (NAV) on a daily basis. NAV and market price information are published in the financial press in Canada on a daily basis and at the weekend in the United States.

The Company will provide a list of its weekly top 10 portfolio holdings (priced at market), together with current discount and market return information to any interested party upon request.