

Sibley Basin

SBG

Group

National Instrument 43-101 Technical Report

**Pigeon River Property
Hartington Township
Ontario, Canada
Thunder Bay Mining Division,
NTS 42A4
Geology
Updated Technical Report**

UTM: Zone 16, 277134m E, 5332229m N, NAD83

Prepared For

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and
Hadley Mining Inc.**

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1. Summary

The Pigeon River property is located in the Southern Province of the Precambrian Shield area of northern-western Ontario, and is located approximately 60 km southwest of Thunder Bay, Ontario. The property consists of 1 unpatented mining claim covering approximately 256 ha and is located in Hartington Township, Thunder Bay Mining Division of North-western Ontario. Zara Resources Inc. owns a 75% interest and Hadley Mining Inc. owns the remaining 25% interest in the property.

The property is underlain by sediments of the Animikie Group including, sulphidic black shale of the Rove Formation that are believed to be host to ultramafic rocks that potentially could host nickel-copper mineralization.

The previous property owner, Pele Mountain Resources Inc., has completed an airborne VTEM survey and associated aeromagnetic survey over the property. This was followed by four diamond drill holes totalling 991 m.

The work to date indicates that the property is underlain by areas with magnetic signatures indicating the presence of ultramafic rocks. The target model is one of mafic-ultramafic flows with associated nickel bearing magmatic sulphides being hosted by deep water extensional basin sediments. This setting is very similar to other areas of the world hosting world class nickel deposits including the Pechenga area of Russia and the Thompson Nickel Belt of Canada. It is recommended that further work be done consisting of diamond drilling to be done to confirm the model, along with borehole geophysics. The proposed program has a budgeted cost of \$170,000.