



National Instrument 43-101 Technical Report

**Forge Lake Property
Cowie Township
Wawa Area
Ontario, Canada
Sault Ste. Marie Mining Division,
NTS 42C01
Geology
Technical Report**

Prepared For

Zara Resources Inc.

By

Alan Aubut P. Geo.

May 11, 2013

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1. Summary

The Forge Lake Au Property is located in the northeast corner of Cowie Township approximately 255 km north of Sault Ste. Marie, Ontario and 37 km northeast of Wawa Ontario. It consists of 8 exploration claims covering approximately 717 ha. Zara Resources Inc. has acquired from Hudson River Minerals Inc. a 100% interest in a Mineral Exploration License Agreement granted by 3011650 Nova Scotia Limited, operating as Michipicoten Forest Resources.

The Forge Lake property covers a portion of the east-west trending highly sheared Forge Lake Deformation Zone (FLDZ). The FLDZ contains sheared metavolcanics and metasediments have been subjected to iron carbonate alteration and silicification and encloses sub-parallel quartz veining and with irregular quartz pods with silicification of the enclosing schist and with 1 to 3% pyrite as disseminations and narrow stringers scattered throughout zone. Drilling has defined gold mineralisation along 370 metres of strike length within deformation zone. Recent drilling has encountered anomalous mineralisation over fairly broad widths.

Recent work in 2011 and 2012 has been by Hudson River Minerals Inc. whereby they have drilled 27 diamond drill holes totalling 2534 metres. Significant intersections from this drilling include 3.25 g/t Au over 12.6 m in hole HR-FL-16 and 7.07 g/t Au over 5.5 m in hole HR-FL-20.

Work to date has focused on trying to locate high grade zones within the Forge Lake Deformation Zone. Where sampling has been continuous these high grade shoots have been shown to be enclosed in a lower grade but extensive mineralised envelope.

The mineralization is open along strike and down dip and has a minimum defined strike length of 500 metres. There are a significant number of assays, where sampling was actually done, that are 1 g/t or higher, generally the threshold required for economic extraction by open pit. There are apparently thick zones of anomalous gold mineralisation with a relatively shallow dip. It is concluded that the Forge Lake property has very good potential for hosting an economic high tonnage-low grade deposit that could be amenable to mining by open pit methods.

It is recommended that for the drill core from the recent Hudson River Resources drilling, the sampling be expanded to include all non-sampled intervals. It is also recommended that an IP survey be done over the property to be followed by additional diamond drilling. The estimated cost of this recommended program is \$1,000,000.

2. Introduction

Sibley Basin Group (SBG) was commissioned by Zara Resources Inc. (Zara), to prepare a Canadian National Instrument 43-101 compliant report summarising the geology and work done to date on the Forge Lake property. The property is located in the northeast portion of Cowie Township and approximately 37 kilometres northeast of Wawa. This report was prepared by SBG using publicly available documents, and company supplied reports. The objective of this report is to summarise known information, determine an appropriate genetic model to help guide future exploration and to present recommendations for future work.

2.1. Terms of Reference

The scope of work entailed reviewing available information, and making recommendations for further work.

2.2. Sources of Information

The geotechnical reports and maps supporting the statements made in this report have been verified for accuracy and completeness by the Author. No meaningful errors or omissions were noted.

SBG has made a site visit to the property in 2012.

SBG used various sources of information as references for this report. These include documents available from the Ontario Geological Survey (OGS), including documents originally filed with Algoma Central Railway and now residing in the Sault Ste. Marie office, and the Geological Survey of Canada (GSC). In addition documents were provided for recent work done by Hudson River Resources

2.3. Units and Currency

Units of measure are expressed in the International System of Units (metric), unless indicated otherwise. All currency values are in Canadian Dollars.

2.4. List of Abbreviations

ha	hectares	AEM	Airborne Electro-Magnetic
km	Kilometres	DFO	Department of Fisheries and Oceans
m	Metres	MNDM	Ministry of Northern Development and Mines
N	North	NAD	North American Datum
NE	North east	NTS	National Topographic System
NW	North west	TMI	Total Magnetic Intensity
W	West	UTM	Universal Transverse Mercator

3. Reliance on Other Experts

This report has been prepared using public documents, and documents supplied by Zara Resources Inc. While reasonable care has been taken in preparing this document there is no guarantee as to the accuracy or completeness of the supporting documentation used, all of which are listing in the References section.

4. Property Description and Location

4.1. Property Description

The Forge Lake Au Property is located in the northeast quadrant of Cowie Township, approximately 37 kilometres northeast of Wawa, Ontario within the Sault Ste. Marie Mining Division (see Figure 1).

Mining rights for Cowie Township are owned by 3011650 Nova Scotia Limited, operating as Michipicoten Forest Resources (MFR). MFR acquired the rights to lands previously owned by Algoma Central Corporation (Algoma) in 1997. Algoma retains the right to buy back a 50% interest in any mineral rights within the former Algoma lands.

Hudson River Minerals Ltd. (HRM) signed a Mineral Exploration License Agreement with MFR in 2011. The term of this agreement is 5 years and can be renewed for a further 5 years as long as the licensee is not in default of any of the terms of the lease agreement. At any time the exploration license or a portion thereof can be converted to a lease of not less than 394 ha provided that the Licensee can demonstrate that a commercial mining operation is feasible and viable in the licensed area. Any production is subject to a 3% of the net smelter returns (gross proceeds from the sale of product less smelting, refining and related charges, all shipping charges and related charges associated with delivering to the smelter of refinery and all production and related charges). The licensee can purchase back the first 1% or the royalty by making a payment of \$1,000,000, and further payments of \$1,000,000 for each ½ of the next 1% royalty.

On April 16, 2013, Zara Resources Inc. completed the acquisition of 100% of Hudson River's right to explore under the Mineral Exploration License Agreement originally signed with MFR, and the Mineral Exploration Agreement has been assigned to Zara. In exchange Zara has issued HRM 5,715,780 common shares of Zara at a deemed issue price of \$0.10 per Zara common share. Zara has also issued 114,316 common shares to MFR as consideration to permit HRM to assign their rights under the license agreement to Zara.

Figure 1 is a claim sketch outlining the property.

A summary of the fees, taxes and minimum expenditure amounts required under the Mineral Exploration License Agreement for the Forge Lake property is presented in Table 1 (Balch, 2012). The claims for the property have not been legally surveyed.

4.2. Location

The property is located 37 km northeast of Wawa Ontario within NTS 42-C-1 in UTM zone 16.

The Forge Lake property is centred at approximately 277000E and 5336000N. Forge Lake can be reached by logging roads. The section with high-grade gold intersections (Amax Grid BL/10,350 E) is centered roughly at 690,000m E and 5,339,050m N.

<i>Term</i>	<i>Year</i>	<i>Hectares (Ha)</i>	<i>License fees (CAD)</i>	<i>Mining taxes (CAD)</i>	<i>Minimum Expenditures</i>
Original	2011-2012	717	\$3,585	\$2,868	\$17,925
Original	2012-2013	717	\$3,585	\$2,868	\$17,925
Original	2013-2014	717	\$3,585	\$2,868	\$17,925
Original	2014-2015	717	\$3,585	\$2,868	\$17,925
Original	2015-2016	717	\$3,585	\$2,868	\$17,925
Renewal	2016-2017	717	\$4,302	\$2,868	\$21,510
Renewal	2017-2018	717	\$4,302	\$2,868	\$21,510
Renewal	2018-2019	717	\$4,302	\$2,868	\$21,510
Renewal	2019-2020	717	\$4,302	\$2,868	\$21,510
Renewal	2020-2021	717	\$4,302	\$2,868	\$21,510

Table 1. Summary of the Lease Agreement requirements for the Zara Forge Lake property.

5. Accessibility, Climate, Local Resources, Infrastructure and Physiography

5.1. Accessibility

The property is accessible by highways and logging roads. Forge Lake is located 37 km northeast of Wawa, Ontario and 255 km northeast of Sault Ste. Marie. The site is accessible from Hawk Junction via a road Newaygo Timber Co. Ltd. of Hearst, Ontario built to the north end of Forge Lake in 1982. A few kilometres west of Forge Lake, the road splits and the south fork leads to the old mine site.

5.2. Climate

The mean annual temperature for the area is slightly above the freezing point at 1°C. The average July temperature is 20°C and the average January temperature is -15°C. The average annual precipitation is 650 mm with rainfall highest in September, averaging 90 mm. Snow typically falls from October to May, but the peak is from November to March when the monthly average reaches 30 mm.

5.3. Local resources and Infrastructure

The project area is easily accessible by all seasonal highways and seasonal logging roads. Equipment and supplies can be easily acquired and transported by road from Wawa or from Sault Ste. Marie, Ontario.

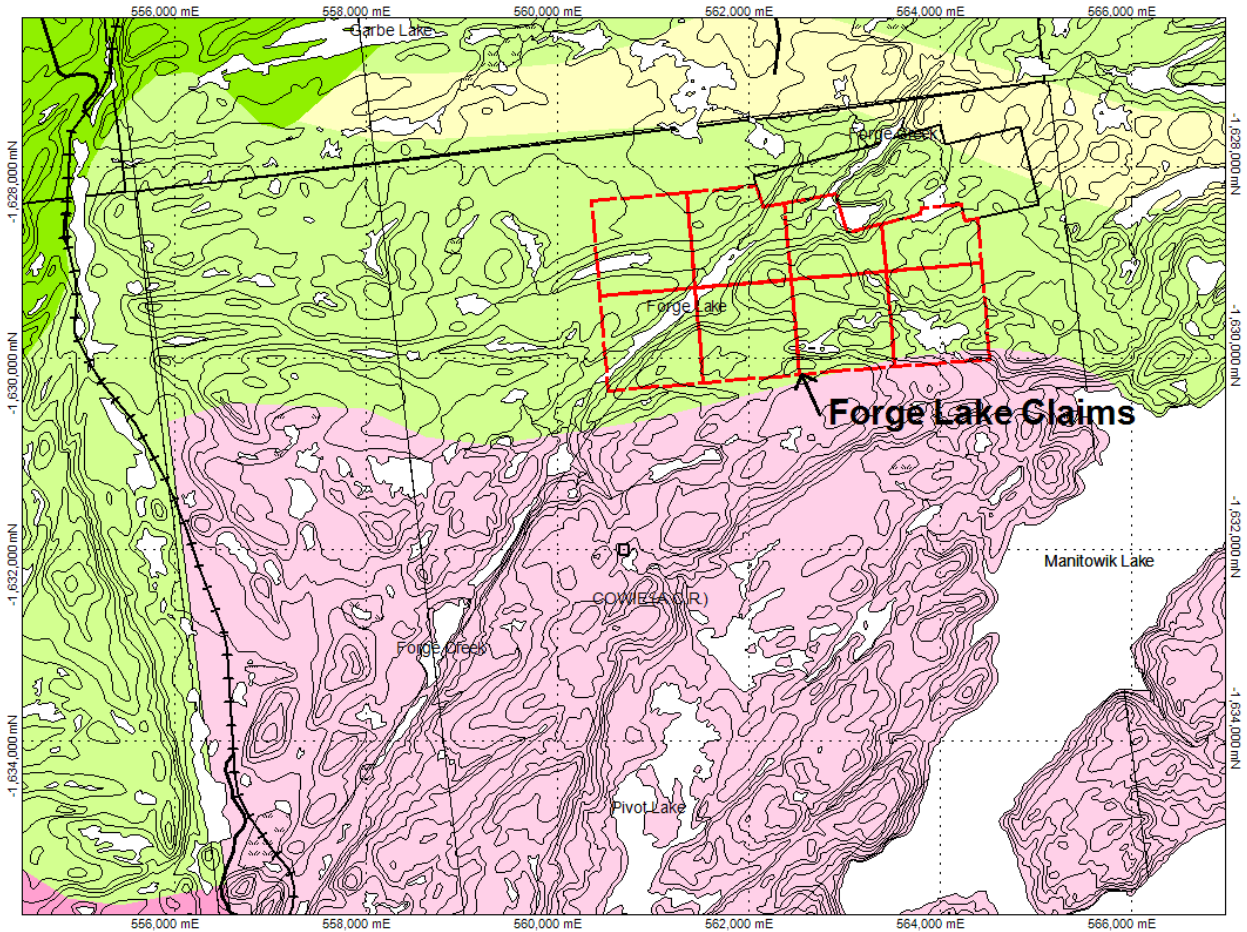


Figure 1. Claims sketch for the Forge Lake Property of Zara Resources Inc.

5.4. Physiography

The topography in the general area is typically rugged with numerous fault scarps cross cutting the stratigraphy. Drainage is good in the property area and east-west trending outcrop ridges are exposed. Birch, spruce and balsam are the most common types of trees. The property for the most part consists of high rolling country with an elevation of from 75 to 85 metres above Forge Lake, which forms a narrow valley on the westerly side. In the southern part a ravine about 25 metres in depth runs east and west. To the east the property slopes to a small lake known as Forge Lake and this gradual slope continues to Manitowik Lake which lies about 2.5 kilometers southeast of the property.

6. History

The following is a summary of the historical work on the Forge Lake Property:

1927:

Gold bearing quartz vein systems were discovered by prospecting.

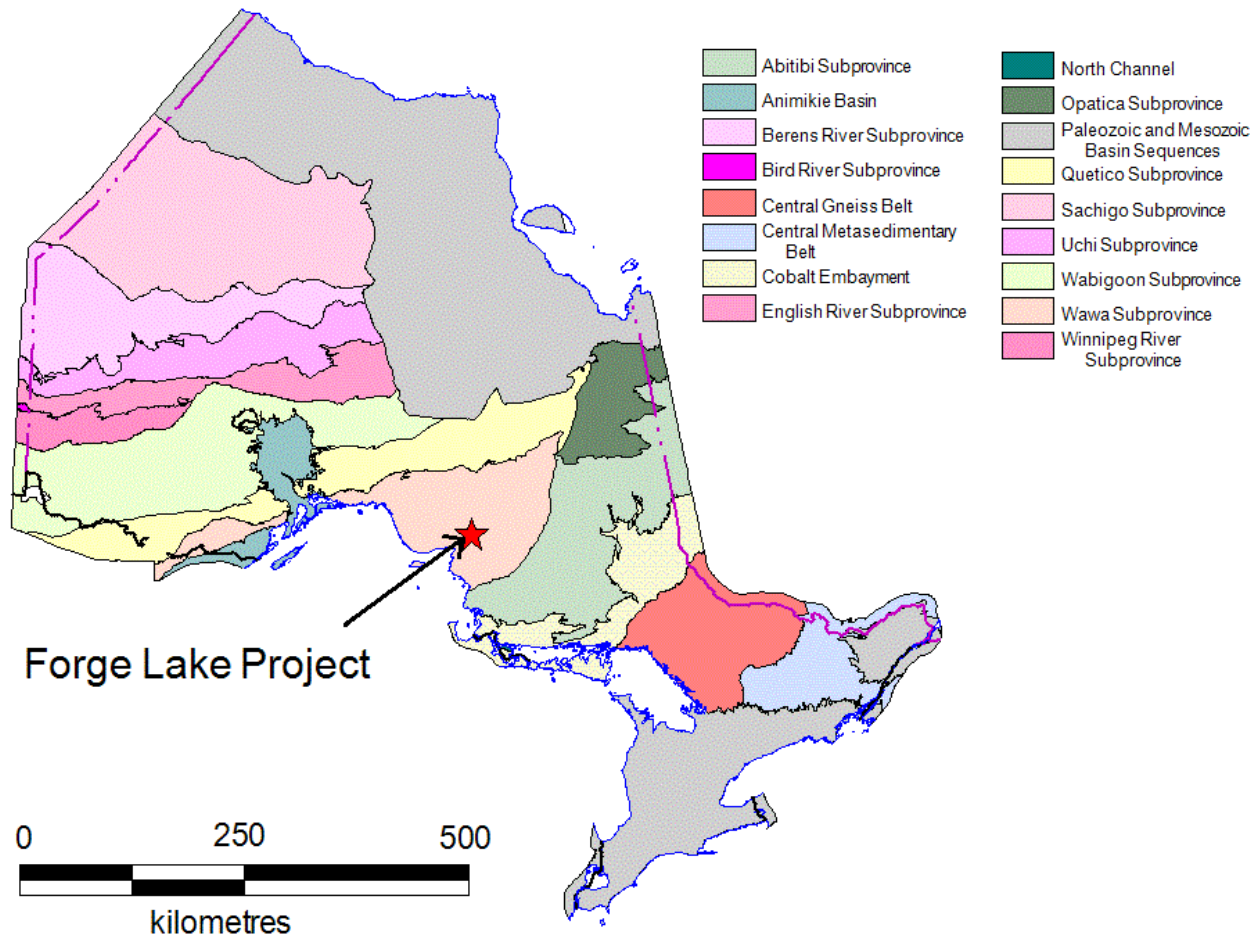


Figure 2. Location Map

1928-29: Towagmac Exploration Limited

Towagmac Exploartion drove a 25 metre adit from which they completed 75 metres of cross cutting, 60 metres of drifting and a 15 metre raise to surface. Some surface trenching was also done.

1933: Alden-Goudreau Mines Ltd.

6 diamond drill holes were completed.

1934: Orecana Trusts Limited

The property was taken over by Orecana Trust. They lengthened the adit by 10 metres and did 112 metres of additional drifting.

1937: Alden Goudreau Mines Ltd.

Work consisted of surface trenching, the drilling of 21 surface drill holes and 264 metres of underground development.

1940-44: Regnery Metals

The property optioned by Regnery Metals in 1940. They completed 18 metres of cross cutting, a 6 metre raise, 24 surface diamond drill holes totalling 1152 metres and 1 underground drill hole totalling 20 metres.

In 1941 additional underground work was done consisting of 210 metres of drifting, 106 metres of cross cutting, 16 metre of raising, and sinking a 24 metre deep winze. 58 shallow surface drill holes were drilled totalling 625 metres. 4 underground drill holes totalling 90 metres were also completed.

During 1942 an 18 metre level established from the winze. An additional 5 metres of drifting was completed in 1943. Operations were suspended June 30 1944.

Total tonnes and grade mined between 1940 and 1944 on the Forge Lake Property was 7644 tonnes @ 7.88 g/t gold.

1948 to 1951: Jalore Mining Company:

They completed a data compilation plus did line cutting followed by a ground magnetic survey and prospecting.

1975: Umex Mines Company:

An airborne EM and magnetic geophysical survey was flown over the property.

1979-85: Amax Minerals Exploration

Amax completed an airborne geophysical survey as well as trenching, stripping, sampling and drilled 56 drill holes, including 12 large diameter holes for bulk sampling purposes. Highlights from this drilling can be found in Appendix 4.

1987-88: Hemlo Gold - Orequest Consultants

During the fall of 1987 an IP survey plus a geochemical soil sampling (Humus Au) survey were completed using the Forge Lake Amax detailed grid. A series of IP anomalies trending east-west over the stripped areas near the center of the grid may be correlated to the presence of the mineralized quartz veins hosted by chloritic schist. Another series of east-west trending IP anomalies occurs approximately 100m north of the baseline, between lines 0+00 and 2+00W.

1990-91: Corona Corporation

Corona did surface sampling and mapping.

1991-92: Noranda Exploration

Noranda completed surface geological mapping, sampling and a ground geophysical survey.

1995: Sault Ste. Marie prospector Cliff Hicks

Completed some overburden stripping, trenching and sampling.

1997 Prospectors Alliance:

Compilation of historical data delineated 5 exploration targets:

Area A: IP anomalies associated anomalous soil anomalies (up to 945 ppb Au.

Area B: Au soil samples.(up to 110 ppb Au) associate3d with a andesite - gabbro contact.

Area C: Several IP anomalies in line with a high grab sample assay of 1.894 oz/t gold.

Area D: The schistosity trends northeast from the high-grade showing and comes in contact, approximately 600 m northeast with a zone having a sample assaying 0.234 oz/t gold..

Area E: Three Anomalous soil samples lie in contact with a narrow felsic intrusive in a topographic low area.

2010: Chalice Diamond Corporation:

They drilled 2 holes under the main Forge Lake Au Zone to test known lamprophyre dykes to see if they carried diamonds (FLS-09-01 and FLS-09-02)

2011: Hudson River Minerals:

Hudson River Minerals Ltd. (HRM) acquired the rights to the property in June of 2011. A property exam was carried out and 12 grab samples were taken over the main and east zones - Samples 40480 to 40491 (see Table 2).

This work was followed by the drilling 17 holes in September and October totalling 1,463 m. 6 drill holes were drilled on the Main Zone and 11 drill holes on the East Zone. The location of all holes are shown on the drill location map found in Appendix 1 and a summary of all significant assays (>1 g/t Au) are listed in Appendix 2. Highlights of the drilling include:

- 16.5 g/t Au over 0.5 m in HR-FL-04
- 2.50 g/t Au over 3.5 m in HR-FL-09
- 4.10 g/t Au over 2.1 m in HR-FL-10 within 0.85 g/t Au over 14.7 m
- 4.56 g/t Au over 3.3 m in HR-FL-12 within 1.81 g/t Au over 10.1 m
- 3.46 g/t Au over 3.5 m in HR-FL-15
- 4.35 g/t Au over 3.9 m in HR-FL-16 within 3.25 g/t Au over 12.6 m

CMG Airborne completed a high resolution helicopter-borne magnetic gradiometer survey over the Forge Lake property (Balch, 2012).

2012: Hudson River Minerals (HRM)

A second diamond drill program was completed in April, 2012, consisting of 11 drill holes totalling 1137 m. This program was designed to test for continuity of mineralization between the Main and East Zone areas drilled during the previous year. The location of all holes are shown on the drill location map found in Appendix 1 and a summary of all significant assays (>1 g/t Au) are listed in Appendix 2. Highlights include:

- 7.07 g/t Au over 5.5 m in HR-FL-20

- 3.96 g/t Au over 2.0 m in HR-FL-19
- 8.46 g/t Au over 1.0 m in HR-FL-22
- 3.06 g/t Au over 1.8 m in HR-FL-24

Sample No.	Easting (m)	Northing (m)	Area	Assay Results g/t Au
40480	688,918	5,339,683	Quartz showing	<0.005
40481	689,757	5,338,952	Main Zone	1.94
40482	689,804	5,338,953	Main Zone	9.88
40883	689,924	5,338,973	Main Zone	5.74
40484	689,931	5,338,975	Main Zone	0.63
40485	689,937	5,338,971	East Zone	0.04
40486	689,966	5,338,972	East Zone	3.32
40487	689,971	5,338,975	East Zone	8.22
40488	689,974	5,338,972	East Zone	2.92
40489	689,824	5,339,044	North Vein	63.1
40490	689,531	5,338,894	North Vein	0.44
40491	689,562	5,338,889	Fuchsite Zone	0.29

Table 2. Assay results for 12 grab samples collected by Hudson River Minerals in 2011.

7. Geological Setting and Mineralization

7.1. Regional Geology

The Forge Lake Property lies on the southern flank of the Michipicoten Greenstone Belt. The greenstone belt is dominated by felsic volcanic rocks and extensive iron formations with numerous associated gold and sulphide occurrences.

The stratigraphy in the vicinity of the Forge Lake property is dominated by basaltic tuffs with intercalated chloritic and calcareous tuffaceous sediments. Several extensive east-west trending deformation zones are present in the area including the Forge Lake Deformation Zone (FLDZ).

The FLDZ extends from the west side of Forge Lake to the McVeigh Creek Fault. The rocks within the FLDZ are variously sheared from moderate to intense with the penetrative foliation being approximately parallel to the primary bedding where this is preserved. The FLDZ rocks strike between 90° and 110° and dip north from 35° to 45°.

7.2. Local Geology

The Forge Lake property is underlain by intercalated north-dipping mafic flows, mafic and felsic tuffs with occasional silty or siliceous horizons. These rocks strike between 90° and 110° and dip north from 35° to 45°. Two well developed oxide facies iron formations strike roughly east-west across the property. They are well bedded and are up to 1.5 m in width consisting of interlayered magnetite and chert. Several late diabase dikes cut the stratigraphy. These dikes trend North-west. Lamprophyre dikes are also prevalent in the area.

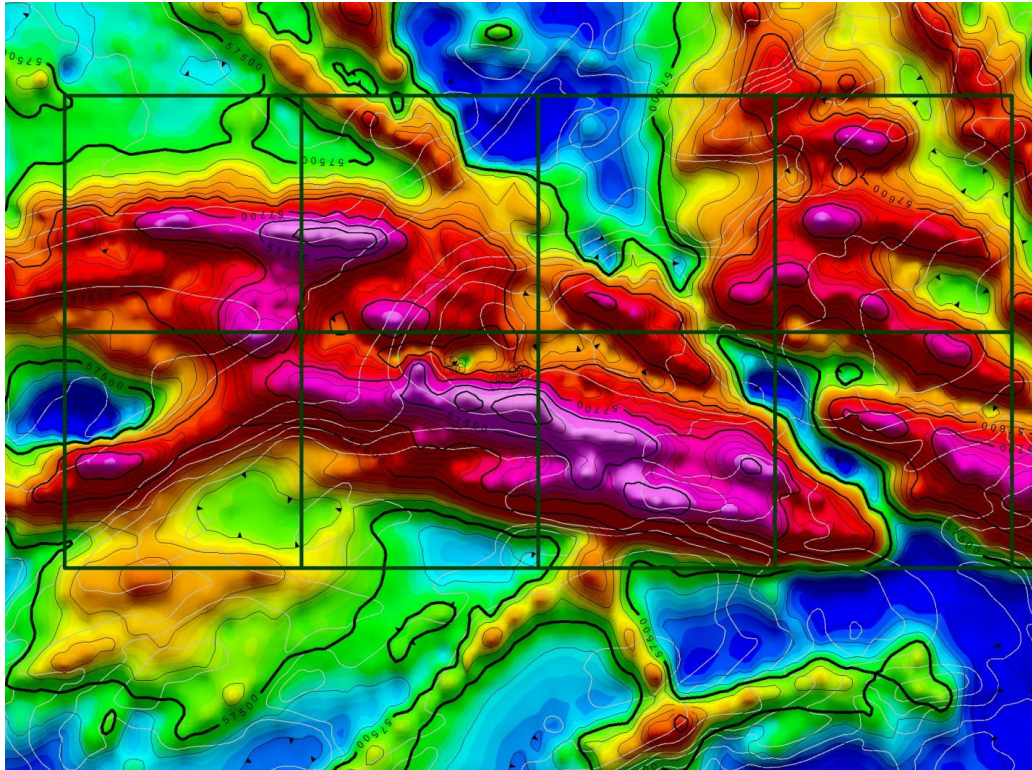


Figure 3. Total Magnetic Intensity over lain by claims outline for the Forge Lake property.

The mineralisation is hosted within two sub-parallel quartz vein systems that occupy the Forge Lake Deformation Zone (FLDZ). These systems appear to be conformable to stratigraphy on a broad scale, but show low angle cross-cutting relationships on a detailed scale. The vein system consists of a swarm of individual veins and veinlets ranging from a few millimetres to 1.0 metre in width.

The East Zone quartz vein system contains irregular quartz pods and veins cross-cut by 20% to 30% tourmaline veining within strong altered wall rocks consisting of silicification and iron carbonate. There is within this zone 1 to 3% disseminated and stringer pyrite scattered throughout and trace chalcopyrite.



Figure 4. Looking east along the East Zone.

The Main Zone quartz vein system contains up to 50% quartz along with numerous narrow quartz veins and veinlets that vary from 1cm to 10cm in thickness. These are cut by later quartz-tourmaline-chlorite veins.

7.3. Mineralisation

The Forge Lake Property contains two zones of mineralization known as the Main Zone and the East Zone. They are located about 370 metres apart along and are both within the east-west trending Forge Lake Deformation Zone (FLDZ).

Within the Main Zone the best gold assays come from major quartz veins located near the base of the deformation zone. Lower grade sections (Up to 0.89 g/t Au) are common and occur throughout the deformation zone but are not always continuous. For example, hole HR-FL-12 grades 4.56 g/t Au over 3.3 m within the major quartz vein and grades 1.81 g/t Au over 10.1 m within a thicker interval of the deformation zone that includes the major quartz vein.

Within the East Zone the gold assays are more continuous throughout the quartz vein system (i.e. 3.4 g/t Au over 12.0 metres in hole HR-FL-16) but the thickness of these quartz veins can vary rapidly over a short distance. On average the quartz veins vary from 20 to 60cm in width.

The hanging wall for both the main and east zones are felsic cherty tuffs with quartz eyes and are very silicified. Several contain 2 to 5% pyrite-chalcopyrite. The footwall rocks are porphyritic felsic tuff to mafic tuff with a chloritic matrix.

8. Deposit Types

The target on the property is gold-silver veins and irregular silicified bodies in fractures, faults, and shear zones that are commonly found in volcanic terranes. Representatives of this type of deposits are widespread throughout the Precambrian shield of Northern Ontario.

Favourable host rocks are commonly volcanic flows and fragmental rocks including tuffs as well as intercalated sediments. The rocks are generally regionally metamorphosed.

The mineralization associated with these particular deposits is typically characterized by the presence of quartz, carbonate minerals, pyrite, arsenopyrite, and base-metal sulfide minerals. The principal gold minerals are native metal and various tellurides. Characteristic types of wall rock alteration are generally developed adjacent to and in the vicinity of nearly all deposits in this class. The most common types of alteration are chloritization, carbonatization, arsenopyritization, and silicification (Boyle, 1987).

9. Exploration

To date Zara Resources Inc. has not done any work on the property.

10. Drilling

To date Zara Resources Inc. has not done any drilling on the property.

11. Sample Preparation, Analyses and Security

To date Zara Resources Inc. has not done any sampling.

12. Data Verification

As no sampling has been done by Zara Resources there has not been a need to do any verification.

13. Mineral Processing and Metallurgical Testing

There has not yet been any mineral processing or metallurgical testing done.

14. Mineral Resource Estimates

There has not yet been any mineral resource estimation done.

15. Mineral Reserve Estimates

There has not yet been any mineral reserve estimation done.

16. Mining Methods

As no mining study has yet to be done on the property no mining method has been selected.

17. Recovery Methods

As no metallurgical studies have been done no recovery method has been selected.

18. Project Infrastructure

Other than a seasonal bush road into the property there is no project infrastructure in place.

19. Environmental Studies, Permitting and Social or Community Impact

There as yet have been no environmental studies done or community impact studies done to date.

20. Capital and Operating Costs

As no mining study has yet to be completed there is no estimate of capital and operating costs.

21. Economic Analysis

There has not yet been any economic analysis done.

22. Adjacent Properties

There has been no material change to the list of adjacent properties described in the attached report by Lawyer and Hebert (2011).

23. Other Relevant Data and Information

There is no other data or information available that can make this report understandable and not misleading.

24. Interpretation and Conclusions

The gold mineralization on the Forge Lake property is associated with quartz vein and veinlet systems developed within a pyritized carbonate alteration halo hosted by the Forge Lake Deformation Zone. There are two sub-parallel vein systems have been traced in excess of 500 m along strike and are open in both directions. The vein systems dip to the north at approximately 40°.

Drilling to date, even though sampling has been incomplete, indicate that potentially economic grades (> 1 g/t) are over wide widths. For example 3.25 g/t Au over 12.6 m in

hole HR-FL-16 and 7.07 g/t Au over 5.5 m in hole HR-FL-20. Of the 50 holes drilled by Amax, 37, or 74%, intersected gold over 1 g/t. And of the 27 holes drilled by Hudson River, 21, or 78%, intersected gold over 1 g/t.

The mineralization is open along strike and down dip and has a minimum defined strike length of 500 metres. There are a significant number of assays, where sampling was actually done, that are 1 g/t or higher, generally the threshold required for economic extraction by open pit. There are apparently thick zones of anomalous gold mineralisation with a relatively shallow dip. It is therefore concluded that the Forge Lake property has very good potential for hosting an economic high tonnage-low grade deposit that could be amenable to mining by open pit methods.

25. Recommendations

Work to date has focused on trying to locate high grade zones within the Forge Lake Deformation Zone. But where sampling has been continuous these high grade shoots have been shown to be enclosed in a lower grade but extensive mineralised envelope.

It is recommended that where the drill core is still available, such as the recent Hudson River Resources drilling, that sampling be expanded to include all non-sampled intervals.

In general holes drilled previously by Hudson River and Amax were typically less than 120 metres long and as such have not really tested the full stratigraphy. As a result there are significant doubts as to the limits of the mineralisation in the vertical plane. It is therefore recommended that at minimum an Induced Polarization (IP) survey be done over the property to help ensure future drilling adequately tests the mineralised portions of the Forge Lake Deformation Zone.

A recommended work program is one that consists of the following key elements:

- 1) Complete infill sampling of all available drill core.
- 2) Twin at minimum 10% of the Amax holes to at least make that data set acceptable for modelling purposes by both confirming the existence of the stratigraphy reported and also to duplicate and thereby confirm historical sampling.
- 3) Do line cutting that covers the length of the Forge Lake Deformation Zone present on the property and with lines long enough to allow suitable depth penetration of any subsequent geophysics.
- 4) Complete an IP survey over the newly cut grid.
- 5) Complete additional drilling to test identified IP targets and to further infill areas of known mineralisation, ensuring that all holes are sampled from top to bottom

A budget for such a program is presented in Table 3.

Proposed Zara Budget	
Additional Sampling	\$ 50,000
Line Cutting and IP Survey	\$ 75,000
Diamond Drilling (5000 m)	\$ 675,000
Personnel	\$ 80,000
Logistics And Support	\$ 45,000
Contingencies	\$ 75,000
Total	\$1,000,000

Table 3. Proposed Exploration Budget

25. References

Balch, S., 2012. Summary Geological and Geophysical Report on the Forge Lake Gold Property, Wawa Area, Ontario, Canada, Sault Ste. Marie Mining Division, NTS 42 C 01; Report prepared by Balch Exploration Consulting Inc. for Hudson River Minerals Ltd., 25 p.

Boyle, R.W., 1987. Gold, History and Genesis of Deposits; Van Nostrand Reinhold Company, New York, 676 p.

Certificate of Qualifications

I, Alan James Aubut, do hereby certify the following:

- I am the author of this National Instrument 43-101 technical document titled “*National Instrument 43-101 Technical Report, Forge Lake Property, Cowie Township, Wawa Area, Ontario, Canada, Sault Ste. Marie Mining Division, NTS 42C0, Geology Technical Report*”, dated May 11, 2013.
- I am a graduate of Lakehead University, in Sault Ste. Marie, Ontario with the degree of Honours Bachelor of Science, Geology (1977).
- I am a graduate of the University of Alberta, in Edmonton, Alberta with the degree of Master of Science, Geology (1979).
- I have been actively practicing geology since 1979.
- Since 2009 I am a member in good standing of the Association of Professional Geoscientists of Ontario.
- From 2000 to 2009 I was a member in good standing of the Association of Professional Engineers and Geoscientists of Manitoba.
- I am a member of the Society of Economic Geologists.
- I operate under the business name of Sibley Basin Group Geological Consulting Services Ltd., a business independent of Zara Resources Inc. and do not expect to become an insider, associate or employee of the issuer.
- The business address of Sibley Basin Group Geological Consulting Services Ltd. is:

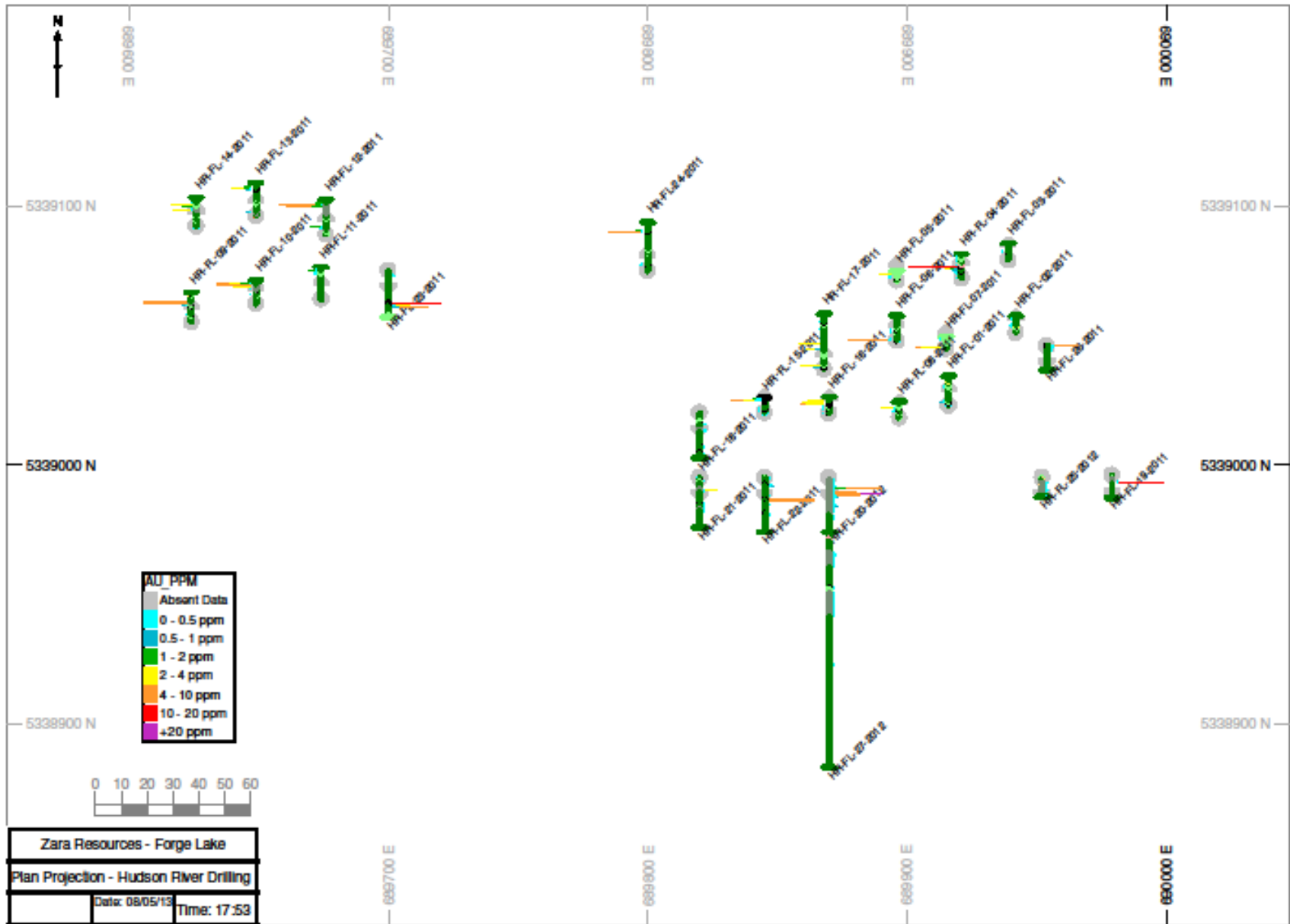
Sibley Basin Group
PO Box 304
300 First St. West
Nipigon, ON
P0T 2J0

I have personally made a site visit to the property that is subject to this report area in 2012.



Alan Aubut
May 11, 2013

Appendix 1 – Map showing location of Hudson River Drilling



Appendix 2 – Summary of Hudson River Drilling

BHID	UTM_X	UTM_Y	Elev.	Azi.	Dip	Length
HR-FL-01-2011	689916	5339023	416	360	-85	83
HR-FL-02-2011	689942	5339051	418	360	-85	50
HR-FL-03-2011	689939	5339079	423	360	-85	72
HR-FL-04-2011	689921	5339072	431	360	-85	70
HR-FL-05-2011	689896	5339071	441	360	-85	50
HR-FL-06-2011	689896	5339048	430	360	-85	74
HR-FL-07-2011	689915	5339045	431	360	-85	50
HR-FL-08-2011	689897	5339018	422	360	-85	71
HR-FL-09-2011	689624	5339055	422	360	-85	110
HR-FL-10-2011	689649	5339062	429	360	-85	100
HR-FL-11-2011	689674	5339064	434	360	-85	89
HR-FL-12-2011	689676	5339089	432	360	-85	120
HR-FL-13-2011	689649	5339096	427	360	-85	120
HR-FL-14-2011	689626	5339092	425	360	-85	120
HR-FL-15-2011	689845	5339020	430	360	-85	63
HR-FL-16-2011	689870	5339020	458	360	-85	72
HR-FL-17-2011	689868	5339037	452	360	-85	83
HR-FL-18-2011	689820	5339020	423	180	-85	119
HR-FL-19-2011	689979	5338996	417	180	-85	69
HR-FL-20-2012	689870	5338995	433	180	-85	119
HR-FL-21-2011	689820	5338995	431	180	-85	122
HR-FL-22-2011	689845	5338995	431	180	-85	119
HR-FL-23-2011	689700	5339075	433	180	-85	119
HR-FL-24-2011	689800	5339075	431	360	-85	119
HR-FL-25-2012	689952	5338995	416	180	-85	71
HR-FL-26-2011	689954	5339046	429	180	-85	110
HR-FL-27-2012	689870	5338995	433	180	-50	170

Appendix 3 – Significant Assays (> 1 g/t) from Hudson River Drilling

BHID	FROM	TO	SAMPLE	LENGTH	AU_PPM
HR-FL-04-2011	27.7	28.2	17073	0.5	2.17
HR-FL-04-2011	28.2	28.7	17074	0.5	1.045
HR-FL-04-2011	35.8	36.3	17076	0.5	16.45
HR-FL-05-2011	29.2	29.5	17064	0.3	1.2
HR-FL-05-2011	29.5	29.8	17065	0.3	2.31
HR-FL-06-2011	1.5	2	17032	0.5	8.34
HR-FL-07-2011	3	3.5	17045	0.5	1.015
HR-FL-07-2011	3.5	4	17046	0.5	4.6
HR-FL-07-2011	4	4.5	17047	0.5	1.945
HR-FL-07-2011	4.5	5	17048	0.5	3.48
HR-FL-07-2011	5	5.5	17049	0.5	2.85
HR-FL-07-2011	5.5	6	17050	0.5	3.55
HR-FL-08-2011	48	48.5	17028	0.5	2.33
HR-FL-09-2011	77	77.5	17145	0.5	5.99
HR-FL-09-2011	78	78.5	17147	0.5	8.05
HR-FL-10-2011	71.8	72.8	17153	1	1.97
HR-FL-10-2011	74.3	74.8	17156	0.5	1.235
HR-FL-10-2011	74.8	75.3	17157	0.5	1.97
HR-FL-10-2011	77.3	77.6	17162	0.3	3.28
HR-FL-10-2011	83.3	83.8	17170	0.5	6.65
HR-FL-10-2011	83.8	84.3	17171	0.5	3.91
HR-FL-10-2011	84.3	84.8	17172	0.5	1.725
HR-FL-11-2011	81	81.8	17249	0.8	1.3
HR-FL-12-2011	26.9	27.9	17224	1	1.98
HR-FL-12-2011	99.5	100	17227	0.5	6.73
HR-FL-12-2011	100	100.6	17228	0.6	5.19
HR-FL-12-2011	101.1	101.6	17230	0.5	4.9
HR-FL-12-2011	101.6	102.2	17231	0.6	1.785
HR-FL-12-2011	102.2	102.8	17232	0.6	7.99
HR-FL-12-2011	104.6	105.2	17235	0.6	1.02
HR-FL-12-2011	107.5	108.6	17239	1.1	1.105
HR-FL-12-2011	112.6	113	17240	0.4	1.06
HR-FL-13-2011	102.5	103	17214	0.5	3.57
HR-FL-13-2011	103	104	17215	1	1.18
HR-FL-13-2011	104.8	105.8	17217	1	1.145

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BHID	FROM	TO	SAMPLE	LENGTH	AU_PPM
HR-FL-14-2011	74.5	75.1	17175	0.6	3.56
HR-FL-14-2011	87.8	88.6	17184	0.8	1.695
HR-FL-14-2011	89.3	89.9	17186	0.6	1.08
HR-FL-14-2011	92.5	93.3	17191	0.8	3.94
HR-FL-15-2011	51	51.4	17119	0.4	1.56
HR-FL-15-2011	53.5	54	17120	0.5	5.54
HR-FL-15-2011	54	54.5	17121	0.5	3.96
HR-FL-15-2011	54.5	55	17122	0.5	1.225
HR-FL-15-2011	55	55.5	17123	0.5	5.05
HR-FL-15-2011	55.5	56	17124	0.5	5.4
HR-FL-15-2011	56	56.5	17125	0.5	3.02
HR-FL-15-2011	58	58.9	17128	0.9	1.07
HR-FL-15-2011	60.6	61	17132	0.4	1.275
HR-FL-16-2011	37.1	38	17088	0.9	4.54
HR-FL-16-2011	38	39	17089	1	4.21
HR-FL-16-2011	39	40	17090	1	4.62
HR-FL-16-2011	40	41	17091	1	4.05
HR-FL-16-2011	41	41.8	17092	0.8	1.74
HR-FL-16-2011	41.8	42.3	17093	0.5	3.38
HR-FL-16-2011	42.3	42.8	17094	0.5	2.16
HR-FL-16-2011	42.8	43.3	17095	0.5	1.62
HR-FL-16-2011	43.3	43.8	17096	0.5	3.18
HR-FL-16-2011	43.8	44.3	17097	0.5	4.18
HR-FL-16-2011	44.3	44.8	17098	0.5	3.97
HR-FL-16-2011	44.8	45.8	17099	1	3.01
HR-FL-16-2011	45.8	46.3	17100	0.5	2.52
HR-FL-16-2011	46.3	46.8	17101	0.5	1.56
HR-FL-16-2011	46.8	47.8	17102	1	3.22
HR-FL-16-2011	47.8	48.3	17103	0.5	2.97
HR-FL-16-2011	48.3	48.8	17104	0.5	1.23
HR-FL-16-2011	48.8	49.3	17105	0.5	3.53
HR-FL-16-2011	49.3	49.8	17106	0.5	2.98
HR-FL-16-2011	54.6	55.1	17107	0.5	2.91
HR-FL-16-2011	55.7	56.2	17108	0.5	2.86
HR-FL-17-2011	8	8.1	17110	0.1	3.54
HR-FL-17-2011	11	11.5	17111	0.5	2.13
HR-FL-17-2011	60.1	60.6	17112	0.5	2.54
HR-FL-17-2011	75.1	75.6	17114	0.5	3.08
HR-FL-17-2011	75.6	76	17115	0.4	3.87

BHID	FROM	TO	SAMPLE	LENGTH	AU_PPM
HR-FL-19-2011	23.5	24	18277	0.5	1.88
HR-FL-19-2011	24	24.5	18278	0.5	13.5
HR-FL-20-2012	26.8	27.3	18148	0.5	8.73
HR-FL-20-2012	27.3	27.8	18149	0.5	1.985
HR-FL-20-2012	38.5	39	18162	0.5	4.12
HR-FL-20-2012	39.5	40.5	18164	1	1.445
HR-FL-20-2012	40.5	41.5	18165	1	8.04
HR-FL-20-2012	41.5	42.5	18166	1	20.1
HR-FL-20-2012	42.5	44	18167	1.5	4.79
HR-FL-21-2011	35	35.5	18121	0.5	2.58
HR-FL-22-2011	56	56.5	18195	0.5	8.53
HR-FL-22-2011	56.5	57	18196	0.5	8.39
HR-FL-23-2011	92.3	92.8	18364	0.5	13.7
HR-FL-23-2011	95.7	96.2	18366	0.5	3.19
HR-FL-23-2011	97.5	98	18369	0.5	6.78
HR-FL-24-2011	100.3	101	18374	0.7	6.62
HR-FL-24-2011	101.4	102.1	18376	0.7	1.24
HR-FL-26-2011	3	3.5	18213	0.5	4.77

Appendix 4 – Significant Assays (> 1 g/t) from Amax Drilling

BHID	FROM	TO	SAMPLE	LENGTH	AU_PPM
927-01-31	116.3	117	C7245	0.7	4.06
927-01-31	121.25	122.4	C7250	1.15	1.11
927-01-32	18	19.75	C5626	1.75	4.11
927-01-32	36.85	37.5	C7287	0.65	3.02
927-01-33	59.1	60	C7305	0.9	3.77
927-01-35	53	54.5	C7360	1.5	4.8
927-01-35	62.2	63.7	C7344	1.5	8.92
927-01-36	78	79	C7730	1	4.32
927-01-36	79	80.5	C7731	1.5	1.74
927-01-42	121.5	123	C7745	1.5	1.59
927-01-42	123	124.5	C7746	1.5	1.31
927-01-42	124.5	126	C7747	1.5	2.83
927-01-42	126	127.5	C7748	1.5	1.08
927-01-43	27	28.5	C8055	1.5	1.43
927-01-43	98.5	100	C8041	1.5	1.15
927-01-44	78	79.5	C7382	1.5	2.63
927-01-45	54	55	C7780	1	1.16
927-01-45	55	56	C7781	1	29.84
927-01-45	58	59	C7784	1	12.52
927-01-46	23	24	C8000	1	1.75
927-01-46	46	47	C7389	1	1.72
927-01-46	49	50	C7392	1	2.74
927-01-46	50	51.5	C7393	1.5	1.14
927-01-47	51	52	C7710	1	1.03
927-01-48	67	68	C7814	1	3.53
927-01-49	96	97	C7860	1	1.03
927-01-49	99	100	C7863	1	1.44
927-01-50	131	132	C7889	1	1.21
927-01-50	135	136	C7893	1	5.11
927-01-51	149	150	C0799	1	1.71
927-01-52	11	12	C15409	1	2.37
927-01-52	81	82	C15415	1	1.7
927-01-52	133	134	C7929	1	1.78
927-01-52	134	135	C7930	1	1.36
927-01-53	47	48	C15452	1	1.28
927-01-55	55	56	C7958	1	1.66
927-01-55	65	66	C7961	1	1.97

BHID	FROM	TO	SAMPLE	LENGTH	AU_PPM
927-01-56	68	69	C7990	1	1.31
927-01-57	51	52	C8010	1	1.68
927-01-57	105	106	C8022	1	4.12
927-01-57	124	125	C8032	1	1.72
927-01-58	95	96	C8079	1	5.76
927-01-59	6	7	C8092	1	3.19
927-01-59	7	8	C8093	1	6.86
927-01-59	84	85.5	C15960	1.5	1.92
927-01-60	62	63	C0712	1	1.5
927-01-60	63	64	C0713	1	2.06
927-01-60	135	136	C0731	1	1.37
927-01-60	136	137	C0732	1	1.96
927-01-61	81	82	C0745	1	2.06
927-01-61	145	146	C0753	1	7.2
927-01-62	76	77	C0761	1	1.17
927-01-62	78	79	C0763	1	1.03
927-01-62	79	80	C0764	1	1.82
927-01-63	64	65	C15919	1	1.17
927-01-64	75	76	C15936	1	2.79
927-01-64	76	77	C15937	1	1.12
927-01-65	86	87	C16287	1	1.74
927-01-65	89	90	C16290	1	1.92
927-01-65	91	92	C16292	1	2.54
927-01-66	108	109	C16317	1	34.29
927-01-67	79	80	C16337	1	3.43
927-01-67	80	81	C16338	1	2.06
927-01-68	47	48	C16373	1	10.29
927-01-68	93	94	C16379	1	1.09
927-01-69	48	49	C16359	1	1.05
927-01-69	58	59	C16363	1	1.51
927-01-70	56	57	C16390	1	269.63
927-01-70	57	58	C16391	1	2.47
927-01-74	158	159	C2339	1	1.54
927-01-75	206	207	C2421	1	1.96
927-01-76	82	83	C2494	1	1.71
927-01-76	190	191	C1052	1	2.92
927-01-78	8	9	C2468	1	8.78