

Report on
The Exploration Potential
Of the
Beardmore South Property
Beardmore and Mary Jane Lake Areas
Thunder Bay District

for

Northern Bonanza Inc.

T.J. Beesley, P.Eng.
August 23, 2010

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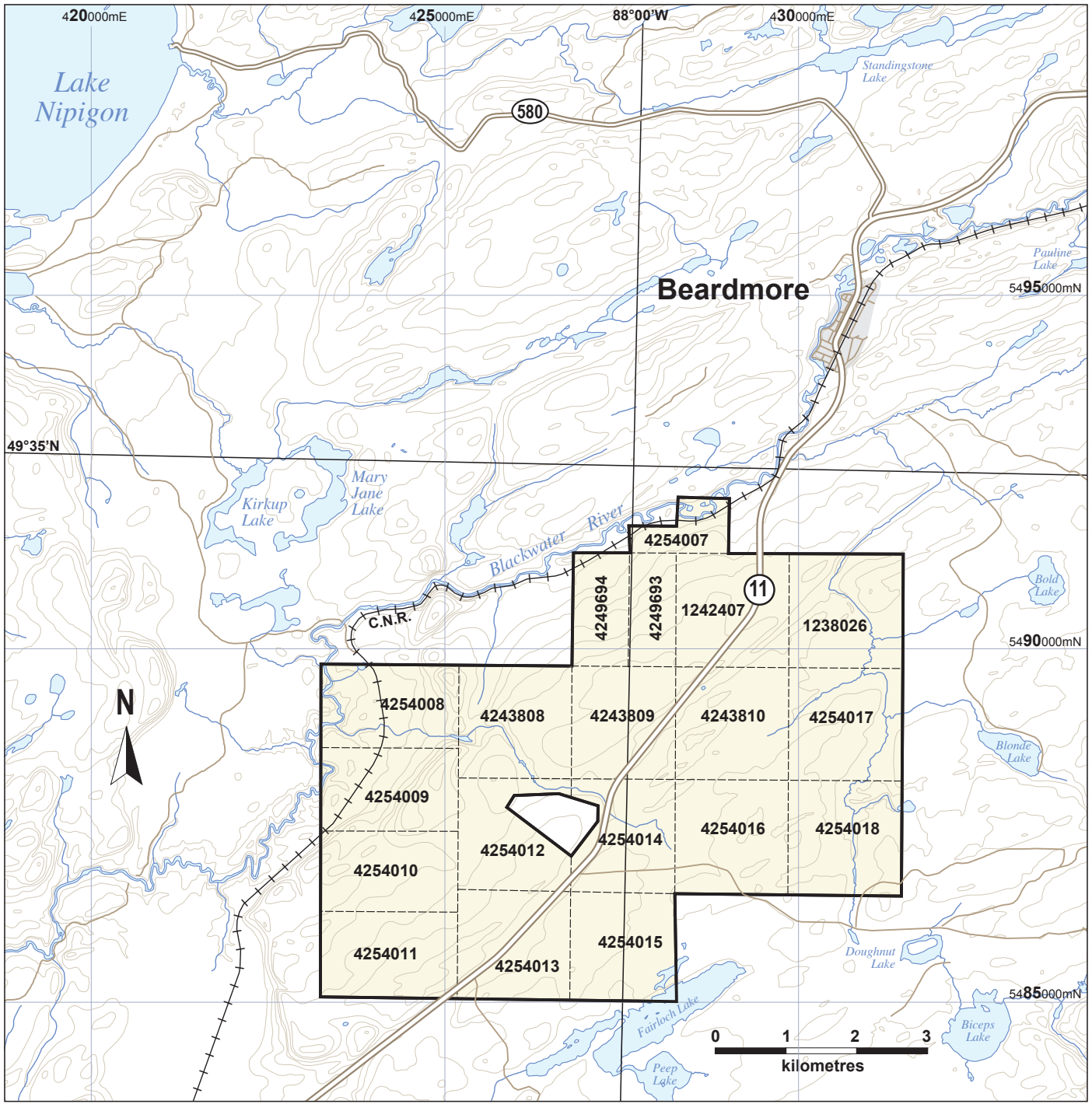
Summary

Northern Bonanza Inc. recorded a group of 19 mineral claims in May of 2010 in Beardmore Area and Mary Jane Lake Area, 3 km south of Beardmore, Ontario. The claims are contiguous and cover an area of 269 hectares. The claims are recorded 100% in the name of Northern Bonanza Inc. The general geology of the area is shown in Figure 2. A metasedimentary sequence consists of both clastic and chemical metasediments. These rocks form two northeast-trending belts and occur to the northwest and southeast of the central metavolcanic belt. The northern belt is about 3.4 km thick; the southern belt is in excess of 5.4 km thick. The Northern Bonanza claim group lies entirely within the southern belt. The clastic metasediments are wackes with minor intercalated siltstone and mudstone. The chemical metasediments comprise ironstone units 1-2 m thick in the metavolcanics. The metavolcanics comprise mafic to intermediate flows in a belt 2.0 to 2.5 km wide and trend northeasterly between the two metasedimentary units. The metavolcanic flows are dark green to greenish black in colour and typically consist of a massive medium-grained basal part, a finer grained middle portion, and a fine-grained to aphanitic upper part, which may be pillowed, amygdaloidal, and/or variolitic. Proterozoic rocks comprise a diabase sill of medium grain size and massive texture and form topographic highs in outcrop. Precious metals occur (i) in quartz and quartz-carbonate veins in the metavolcanics, but also in metasediments, and (ii) in quartz veins in chert-hematite-magnetite-grunerite ironstone units interlayered with the mafic metavolcanics. In 1929 during the course of geological mapping for the Ontario Bureau of Mines G.B. Langford discovered the 'Lofquist Showing' several km into the southern band of metasediments (Fig 2). At the showing quartz veins host gold and silver minerals as well as galena (lead) and chalcopyrite (copper). The Lofquist Showing lies 7 km NE of the Northern Bonanza claim block in a similar stratigraphic horizon..

The author feels that the Northern Bonanza claim block underlain by clastic metasediments has been underexplored compared to the much more mineralized metavolcanic belt. The possibility exists of locating one or more additional Lofquist Veins. The framework of the new claim block should be set with a fixed wing airborne survey, similar in nature to a Terraquest airborne survey. A VLF-EM source generates an airborne electromagnetic signal. Airborne magnetic and radiometric surveys are carried out from the same platform. Survey lines are E-W, flown at 50 m intervals. The results of the survey would receive a professional evaluation. The recommendations from this evaluation would guide prospecting, sampling and assaying in an attempt to isolate quartz-gold silver + sulphide veins.

Recommended Budget Estimate

	\$
Fixed wing airborne survey	40,000.00
Evaluation and prospecting and sampling and assaying follow up	<u>20,000.00</u>
	\$60,000.00



UTM Zone 16, NAD 27

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Figure 1
 Northern Bonanza Inc.
Beardmore Claim Group
 Beardmore and Mary Jane Areas, Ontario
Claim Map

Introduction

The technical report is prepared for Northern Bonanza Inc, to assist them in evaluating the exploration potential of their Beardmore South property. The sources of information and data used in this report are from government publications and assessment files, all duly referenced. The property was visited by the author on July 7, 2010.

Reliance on Other Experts n.a

Property, Description and Location

The area of the property is 269 hectares, The northern boundary of the property is 3 km south of Beardmore, Ontario on Highway 11. Highway 11 transects the property. The property consists of nineteen contiguous mineral claims all registered 100 % to Northern Bonanza Inc. There are no surface rights; no obligations exist. The expiry dates of the claims are tabled in the Appendix. The property boundaries were located by GPS and by compass and chain. At the moment there are no mineralized zones, mineral resources, mineral reserves and mine workings, tailing ponds, waste deposits and important natural features and improvements, relative to the outside property boundaries. There are no royalties, back-in rights payments or other agreements and encumbrances to which the property is subject. There are no environmental liabilities to which the property is subject. There are no permits that must be acquired to conduct the work proposed.

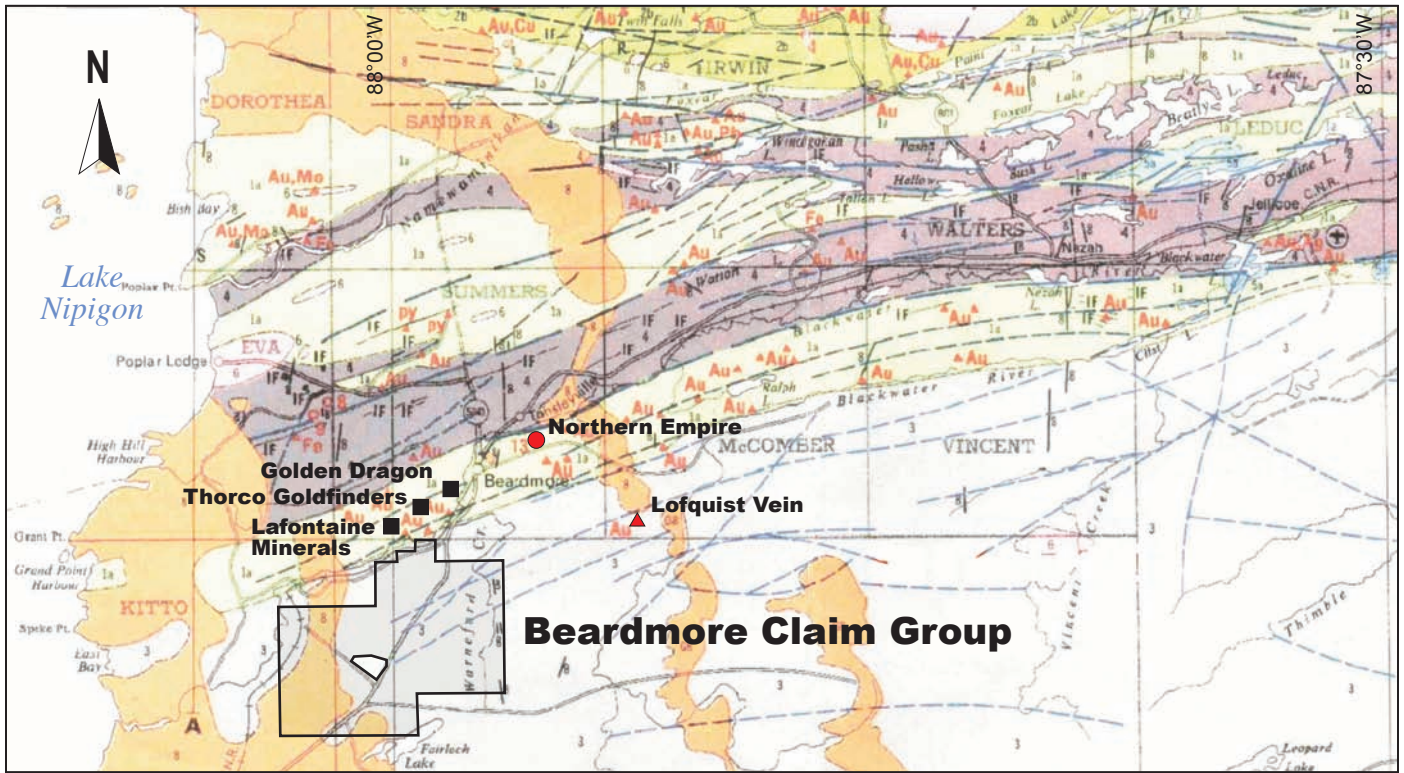
Accessibility, Climate, Local Resources, Infrastructure and Physiography

Topography is generally flat except where Proterozoic diabase sills intrude, locally forming hills up to 50-100 m in height. Vegetation is mixed evergreen/poplar. The property is cut in the middle by Hwy 11. Old logging roads cross. The property is 3 km south of the Town of Beardmore. The climate is typical northern; cold winters, cool to warm summers.

History n.a.

Geological Setting

Regionally a swath of metavolcanic-metasedimentary rocks runs from Geraldton to Beardmore. The metavolcanic rocks are host to numerous showings and former producers of gold and silver. The general geology of the Beardmore area is shown in Figure 2. A metasedimentary sequence consists of both clastic and chemical metasediments. These rocks form two northeast-trending belts and occur to the northwest and southeast of the central volcanic belt. The northern belt is about 3.4 km thick; the southern belt is in excess of 5.4 km. The Northern Bonanza claim group lies entirely within the southern belt. The clastic metasediments are wackes with minor intercalated siltstone and mudstone. The chemical metasediments comprise ironstone units 1-2 m thick bedded in the metavolcanics. The metavolcanics comprise mafic to intermediate flows in a belt 2.0 to 2.5 km wide and trend northeasterly between the two metasedimentary units. The metavolcanic flows are dark green to greenish black in colour and typically consist of a massive medium-grained basal part, a finer middle



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- Geology**
- Precambrian**
 Proterozoic
 Igneous Intrusive Rocks
 8 Diabase
- Archean
 Igneous and Metamorphic Rocks
 6 Granite
- Igneous Rocks
 5 5a - Quartz
 5b - Hornblendite
 5c - Anorthosite
- Metasedimentary Rocks
 4 Conglomerate
 3 Greywacke
- Metavolcanic Rocks
 2 Rhyolite
 1 Basalt
- Assessment Property
 ● Past Producing Mine
 ▲ Gold Quartz Vein



Figure 2
 Northern Bonanza Inc.
Beardmore Claim Group
 Beardmore and Mary Jane Areas, Ontario
Geology of the Beardmore Camp
 After ODM Map 2102 Tashota-Geraldton Sheet
 Geological Compilation Series

portion and a fine-grained to aphanitic upper part, which may be pillowed, amygdaloidal and/or variolitic. Proterozoic rocks comprise diabase sills of medium grain size and massive texture and form topographic highs in outcrop. Precious metals occur (i) in quartz and quartz-carbonate veins almost exclusively in metavolcanics but also in metasediments and (ii) in quartz veins in chert-hematite-magnetite-grunerite ironstone units interlayered with the mafic metavolcanics.

Deposit Types

In 1929 a quartz vein showing with gold and silver and galena and chalcopyrite was made 7 km to the NE of the current Northern Bonanza in extreme SE McComber Twp.. The showing occurs well into the clastic metasediments south of the metavolcanics, in the stratigraphic position of the metasediments in the central Northern Bonanza claim group. This will be the deposit type targeted.

Mineralization n.a.

Exploration n.a.

Drilling n.a.

Sampling Method and Approach n.a.

Sample Preparation, Analyses and Security n.a.

Data Verification n.a.

Adjacent Properties

Three junior companies, Thorco Goldfinders, Golden Dragon Resources and Lafontaine Minerals did extensive general and mechanical exploration adjacent to and just north of the northern claim boundary (4254007) of the current Northern Bonanza claim group.. (Figure 2, List of References). They found numerous gold showings in quartz-carbonate veins in metavolcanics, up to 0.3 oz/ton gold, and in iron formation in metavolcanics. The Northern Bonanza claims are wholly in clastic metasediments. The nearest past producer in the Beardmore area is the Northern Empire Mine, situated 5 km NE of the Northern Bonanza claim group. The Northern Empire occurs in mafic metavolcanics and achieved a production of 149,493 ounces gold at a grade of 0.35 oz/ton gold for Newmont Mines (1).

Mineral Processing and Metallurgical Testing n.a.

Mineral Resource and Mineral Reserve Estimates n.a.

Other Relevant Data and Information n.a.

Interpretation and Conclusions n.a.

The majority of the gold occurrences and former gold producers in the Beardmore camp are as quartz or quartz-carbonate veins or as quartz veins in iron formation in mafic metavolcanics. However some gold occurrences occur as quartz veins or quartz-carbonate veins in clastic metasediments (8). Take for example the Lofquist Showing in extreme SE McComber Twp., where quartz veins host gold and silver and galena and chalcopyrite. The Lofquist Showing is in the same stratigraphic position within the clastic metasediments as the centre of the Northern Bonanza Inc claim group and will act as the model for the type of mineralization anticipated in the latter. No work has previously been recorded in the Northern Bonanza Inc. claim group, so it is appropriate to have an airborne geophysical to provide a geological and mineralogical framework.

Recommendations

A fixed-wing airborne survey should be flown over the property. An airborne electromagnetic signal should be sourced by VLF-EM signals. Magnetic and radiometric surveys should be flown on the same platform. The survey should be flown on E-W lines spaced at 50m intervals. The results of the survey would receive professional evaluation, which would guide ground follow-up prospecting, sampling and assaying.

Recommended Budget Estimate

	\$
Fixed wing airborne survey	40,000.00
Evaluation, Prospecting, Sampling, Assaying	<u>20,000.00</u>
	\$60,000.00

List of References

- 1) 2010 Northern Empire - Welcome to Goldstone Resources Website.
- 2) 2003 Phoenix Bedrock Mapping Project, Kitto, Eva, Summers, Dorothea Townships. Miscellaneous Release Data 105 Ontario Geological Survey
- 3) 1990 Shanks, W.S. Geology of Eva and Summers Township, District of Thunder Bay. Ontario Geological Survey Open File 141
- 4) 1989 Tashota Geraldton Longlac Area. Airborne EM Survey. Total Intensity Magnetic Survey. District of Thunder Bay. Map 81337 Ontario Geological Survey.
- 5) 1989 Tashota Geraldton Longlac Area. Airborne EM Survey. Total Intensity Magnetic Survey. District of Thunder Bay. Map 81338 Ontario Geological Survey.
- 6) 1987 McBride D.E. Gold mineralization and its position in the geological evolution of the Beardmore-Tashota area. C.I.M. Bulletin April 1987.
- 7) 1987 Carter M.N. Geology of McComber and Vincent Township, District of Thunder Bay. Ontario Geological Survey Open File Report 5648.
- 8) 1985 Carter M.N. Precambrian Geology McComber Township Ontario Geological Survey Map P2853 Scale 1:15480
- 9) 1982 Speed A.A. Beardmore Area, Thunder Bay District. Ontario Geological Survey Map P2521 Thunder Bay Data Series 1:15840
- 10) 1970 Mackasey, W.O. Summers Township, District of Thunder Bay Preliminary Geological Map P602 Ontario Department of Mines Scale 1:15840 Geological Compilation Series
- 11) 1965 Pye, E.G., Harris, F.R., Fenwick K.G. and Baillie, J. Tashota-Geraldton Sheet, Geological Compilation Series, Thunder Bay and Cochrane Districts. Ontario Department of Mines Map 2102. 1"= 4 miles
- 12) 1928 Langford G.B. Geology of the Beardmore-Nezah Gold Area, Thunder Bay District, Ontario Ontario Dept. of Mines Annual Report Vol 37, Pt 4, pp83-108

List of References (Cont.)

Assessment Files

- 1985 42E12SW0035 Geological Mapping and Magnetometer for Thorco Gold Finders.
- 1985 42E12SW0036 Geological, Gravity, Metallurgical Testing and Bulk Sampling For Thorco Gold Finders.
- 1993 42E12SW0037 Assaying and Analysis, Overburden Stripping, Bedrock Trenching for Lafontaine Minerals.
- 1992 42E12SW0045 Assaying and Analysis, Geochemical, Prospecting, Overburden Stripping for Lafontaine Minerals
- 1993 42E12SW0051 Assaying and Analysis, Overburden Stripping, Bedrock Trenching for Lafontaine Minerals
- 1997 42E12SW2004 Assaying and Analysis, Magnetometer, Open Cutting Diamond Drilling, Overburden Stripping for Lafontaine Minerals
- 1990 42E12SW0033 Geological, Induced Polarization, VLF-EM for Golden Dragon Resources Ltd.
- 1989 42E12SW0034 Geological, Overburden Stripping for Golden Dragon Resources Ltd.

CERTIFICATE

I, Timothy J. Beesley, P.Eng. do hereby certify that:

- 1) I am a consulting geologist and engineer and president of T.J. Beesley Geological Services Inc., 11 Arcadian Circle, Toronto, Ontario, M8W 2Z1.**
- 2) I graduated with a B.A. Sc. in Applied Geology from the University of Toronto and an M.S. in Geology from the University of Colorado.**
- 3) I am a member of the Association of Professional Engineers of Ontario and have been practising my profession continuously for 38 years.**
- 4) I have read the definition of “qualified person” set out in National Instrument 43-101 and certify that by reason of my education, affiliation with a professional association and past relevant work experience, including exploration for gold and silver in Archean Shield areas of Canada and Australia, Mesozoic plutons in British Columbia and Ecuador, and epithermal deposits in Tertiary rocks in Slovakia and the western United States, I fulfil the requirements to be a “qualified person” for the purposes of NI 43-101.**
- 5) I am responsible for the preparation of all sections of the Technical Report titled Exploration Potential of the Beardmore South Claim Group I visited the Beardmore Area and Mary Jane Lake Area mineral claims of Northern Bonanza Inc. on July 7, 2010**
- 6) I have not had prior involvement with the property that is the subject of this technical report**
- 7) I am not aware of any material fact or material change with respect to the subject matter of any Technical Report, the omission to disclose which makes the Technical Report misleading.**
- 8) I am independent of the issuer, applying all the tests in Section 1.5 of NI 43-101.**
- 9) I have read NI 43-101 and Form 43-101F and the Technical Report has been prepared in compliance with that instrument.**
- 10) I consent to the filing of the technical report with any stock exchange and other regulatory authority and any publication by them for regulatory purposes, including electronic publication in the public company files on their websites accessible by the public, of the Technical Report.**

SIGNING PAGE

Date and Signature

Signed

A handwritten signature in black ink, appearing to read "T.J. Beesley". The signature is written in a cursive style with a prominent initial "T" and a long, sweeping underline.

T.J. Beesley, P.Eng.

August 23, 2010

APPENDIX

Northern Bonaza Inc.
Beardmore South
Mineral Properties

Township/Area	Claim Number	Claim Units	Claim Due Date
Beardmore Area	1238026	16	2012-May-31
Beardmore Area	1242407	16	2012-May-31
Beardmore Area	4243809	16	2012-May-03
Beardmore Area	4243810	16	2012-May-03
Beardmore Area	4249693	8	2012-May-31
Beardmore Area	4254007	6	2012-May-03
Beardmore Area	4254014	14	2012-May-03
Beardmore Area	4254015	16	2012-May-03
Beardmore Area	4254016	16	2012-May-03
Beardmore Area	4254017	16	2012-May-03
Beardmore Area	4254018	16	2012-May-03
Mary Jane Lake Area	4243808	16	2012-May-03
Mary Jane Lake Area	4249694	8	2012-May-31
Mary Jane Lake Area	4254008	15	2012-May-03
Mary Jane Lake Area	4254009	15	2012-May-03
Mary Jane Lake Area	4254010	15	2012-May-03
Mary Jane Lake Area	4254011	15	2012-May-03
Mary Jane Lake Area	4254012	13	2012-May-03
Mary Jane Lake Area	4254013	16	2012-May-03