



Strategic
metals Ltd.

RUSTY PROPERTY

Central in a Silver-Gold Camp

- A total of 16 silver-rich zones identified on the property to date, with strong potential for further discovery
- Historical diamond drilling concentrated on a fraction of the known showings, with results including 1008.0 g/t silver, 22.3% lead, 3.9% zinc and 2.6% copper over 5.4 m
- Chip samples from undrilled prospects returned 1914 g/t silver, 48.87% lead and 12.62% zinc over 0.42 m

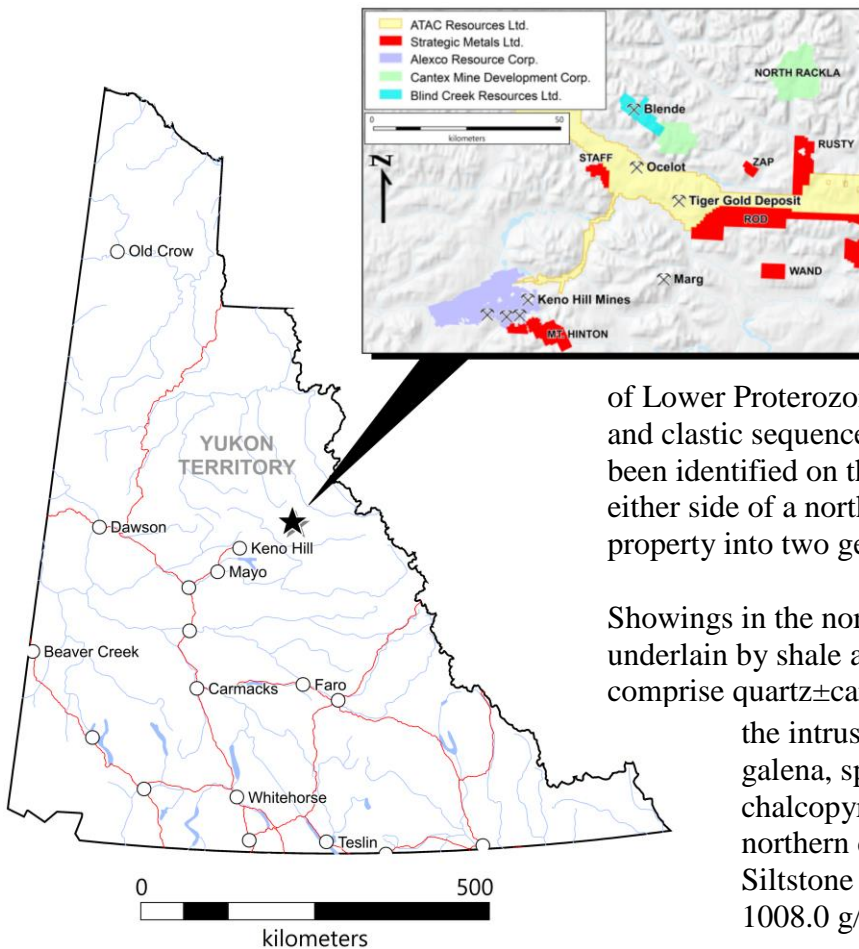


FIGURE 1 – PROPERTY LOCATION

The 100% owned Rusty property covers multiple silver-rich vein and stockwork showings in central Yukon. It is located in the heart of a silver-gold camp that includes the Keno Hill mines and the Tiger Gold deposit (Figure 1).

The property lies on the southern edge of the Mackenzie Platform – an assemblage of Lower Proterozoic to Paleozoic, shallow-water carbonate and clastic sequences. A total of 16 mineralized zones have been identified on the property to date. They are found on either side of a northwest-trending fault, which divides the property into two geological domains (Figure 2).

Showings in the northern domain, which is predominantly underlain by shale and siltstone and intruded by diorite, comprise quartz±carbonate veins and lenses, associated with the intrusive contact. Mineralization is composed of galena, sphalerite, lesser tetrahedrite and rare chalcopyrite. Historical diamond drilling in the northern domain was largely directed toward the Siltstone Zone, which has yielded intercepts of up to 1008.0 g/t silver, 22.3% lead, 3.9% zinc and 2.6% copper over 5.4 m. Geochemical sampling performed by Strategic at some of the undrilled occurrences, such as the Marco and Azure zones, has

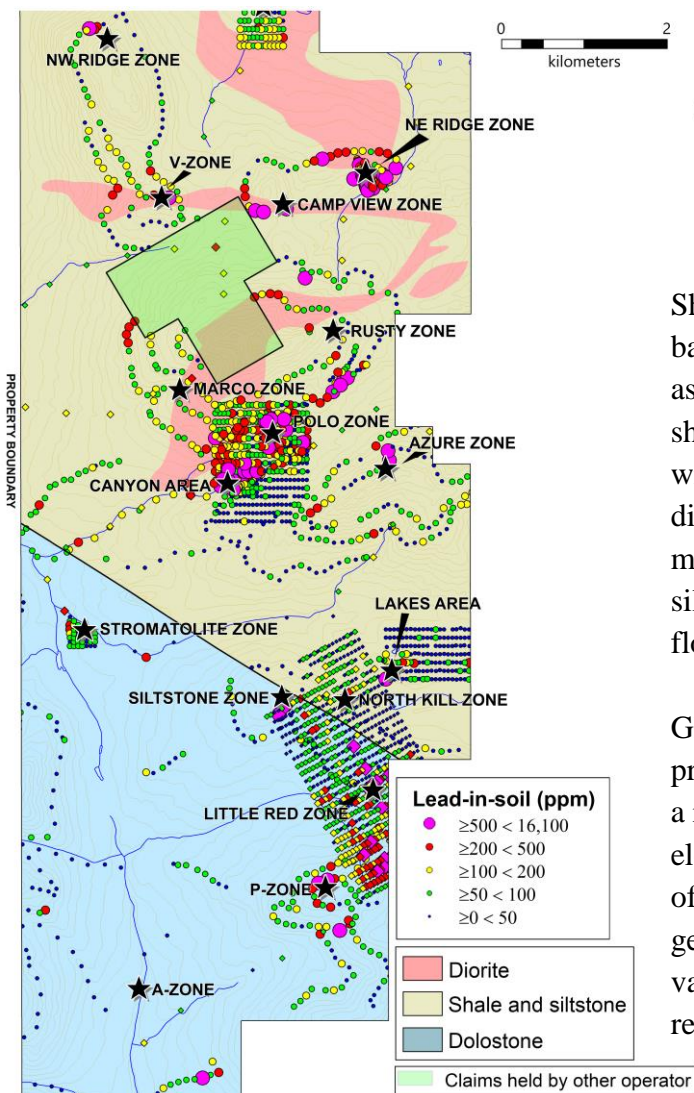


FIGURE 2 – LEAD-IN-SOIL GEOCHEMISTRY

Historical diamond drill holes have produced encouraging results that have not been followed up. Future work should include additional soil geochemical sampling in conjunction with detailed geological mapping, to identify high-priority drill targets. Following this, diamond drilling should be performed to expand the zones of known mineralization and test new targets.

returned very strong assays for silver. Grab samples at the Marco Zone returned 8070 g/t silver and 75.04% lead, while chip samples at the Azure Zone, which was discovered by Strategic in 2010, yielded 1914 g/t silver, 48.87% lead and 12.62% zinc over 0.42 m.

Showings in the southern domain comprise dolomite-barite-quartz veins and breccias hosting a mineral assemblage of galena, tetrahedrite and sphalerite. These showings are developed within a succession of dolostone with lesser quartzite and shale. In 2010, Strategic discovered the P-Zone occurrence – a broad area of mineralized float – where rock samples returned 1050 g/t silver and 50.75% lead. The source of the mineralized float has not been located.

Glacial till deposits blanket lower elevation areas of the property, which can subdue soil geochemical results. As a result, only a small portion of the property, at higher elevations, has been systematically soil sampled. Many of the showings on the property occur within broad, geochemically anomalous belts that extend toward valley floors, suggesting that the mineralized zones remain open along strike.

Many of the showings on the property, where cursory sampling has returned strong silver values, have not been evaluated with mechanized equipment.

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FOR MORE INFORMATION OF THIS PROPERTY

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