

VAULT PROPERTY

- One of the biggest and strongest gold-in-soil anomalies in Yukon (greater than 10,000 ppb)
- Placer gold points to promising targets but in situ mineralization eluded historical prospectors
- Recent discoveries indicate excellent potential for a large, deep seated, mesothermal vein system

Strategic Metals Ltd.'s Vault project is located in southwestern Yukon alongside the Denali Fault, which forms the northern segment of the Coastal Range Megalineament.

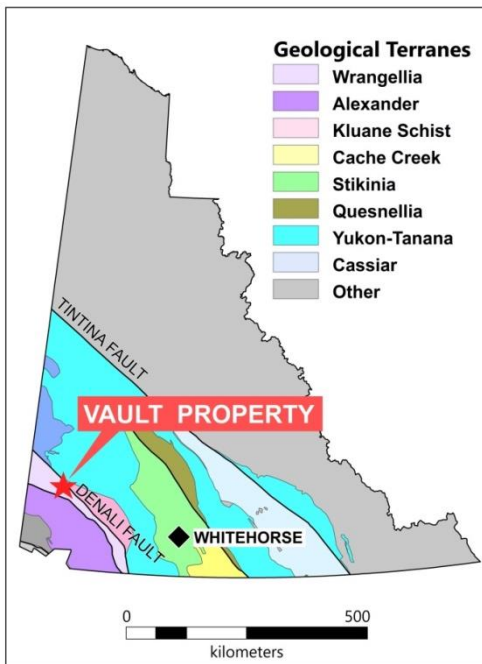


FIGURE 1: TECTONIC SETTING

The property consists of 180 wholly owned claims and 117 claims that are under option from two, arms-length prospecting groups. The claims cover the headwaters and drainages of two productive placer creeks and are highly prospective for mesothermal gold mineralization. The property is situated close to infrastructure, less than ten kilometres southwest of the Alaska Highway and five kilometres northwest of the past-producing Wellgreen Mine, a nickel-copper-PGE deposit that is actively being explored by Nickel Creek Platinum Corp.

The Vault property is primarily underlain by lower greenschist Carboniferous volcanoclastics and Permian metasediments, which are locally intruded by Pennsylvanian and Triassic gabbros and capped by Triassic Nikolai basalts. The Denali Fault, a major dextral strike-slip fault, is located less than two kilometres northeast of the property. Faults on the property are largely attributed to Tertiary strike-slip displacement along the Denali Fault and the re-activation of earlier thrust faults. This late faulting produced high strain zones and locally increased metamorphic grades.

**LOOKING NORTHEAST FROM
VAULT PROPERTY TOWARDS
THE ALASKA HIGHWAY**



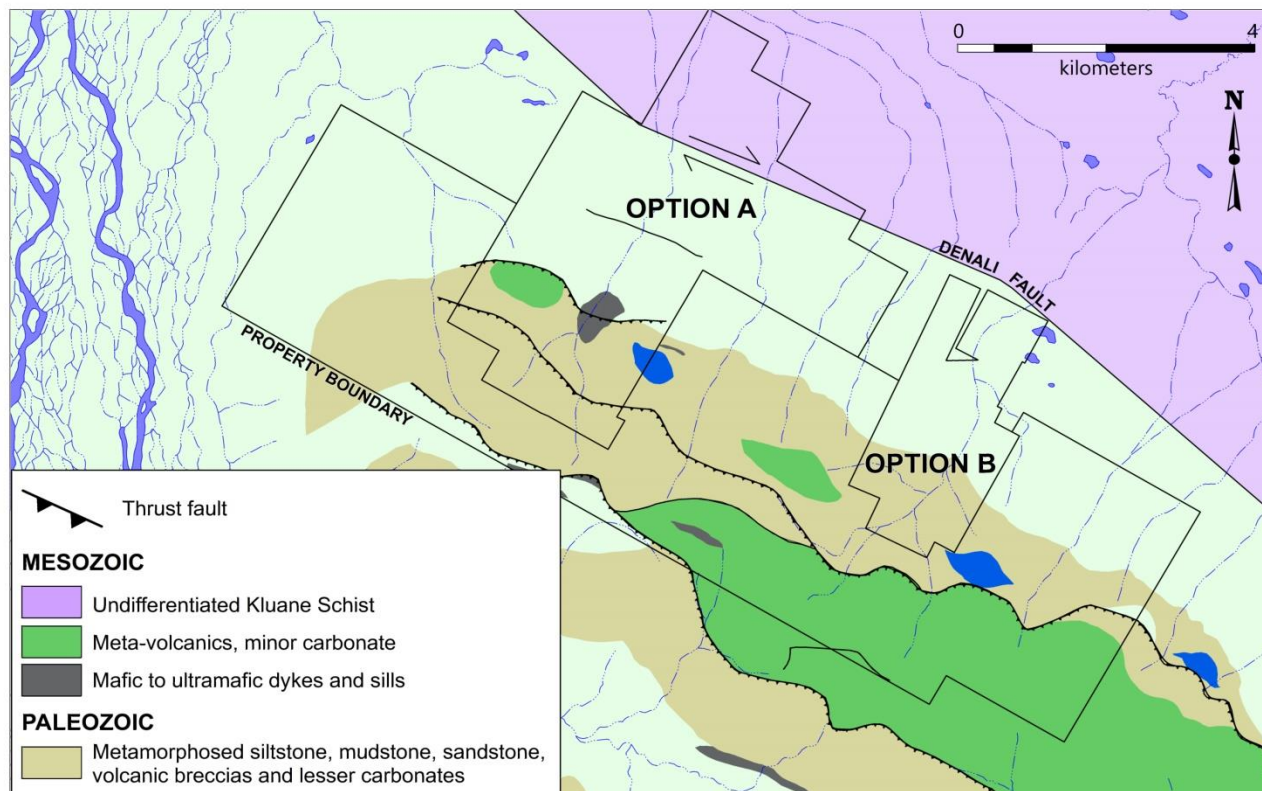


FIGURE 2: SIMPLIFIED GEOLOGY

Thrust faults, large shear zones and folds on the property usually trend southeasterly, while smaller-scale extensional faults strike northeasterly and dip steeply. Two generations of veins have been identified on the property: early syn-deformational veins that are folded and sheared, and late-stage veins that crosscut deformation. The faults and veins are likely related to the Denali Fault/Coast Range Megalineament. This large-scale fault complex hosts mesothermal gold deposits, including mines in the Juneau Gold Belt which have produced nearly seven million ounces since 1880.

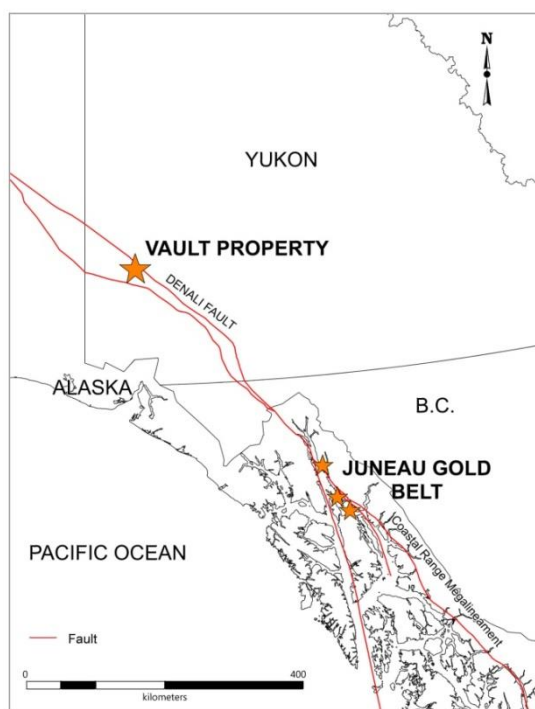


FIGURE 3: DENALI FAULT / COASTAL RANGE MEGALINEAMENT

Exploration to date suggests gold is hosted within milky bull quartz veins and quartz-carbonate stockwork veinlets that are part of a mesothermal system. Veining is found throughout the property and in all rock types. It carries few or no sulphide minerals and is not enriched in pathfinder elements that are typically associated with gold mineralization. The best rock sample collected to date graded 8.72 g/t gold from a boulder of white quartz hosted in sericite altered schist. A chip sample across a quartz vein located 50 m uphill of this sample returned 1.735 g/t gold over 1.65 m. The veins could be orogenic or may have been deposited from younger fluids that were channeled and constrained along faults related to deep seated, regional scale structures.

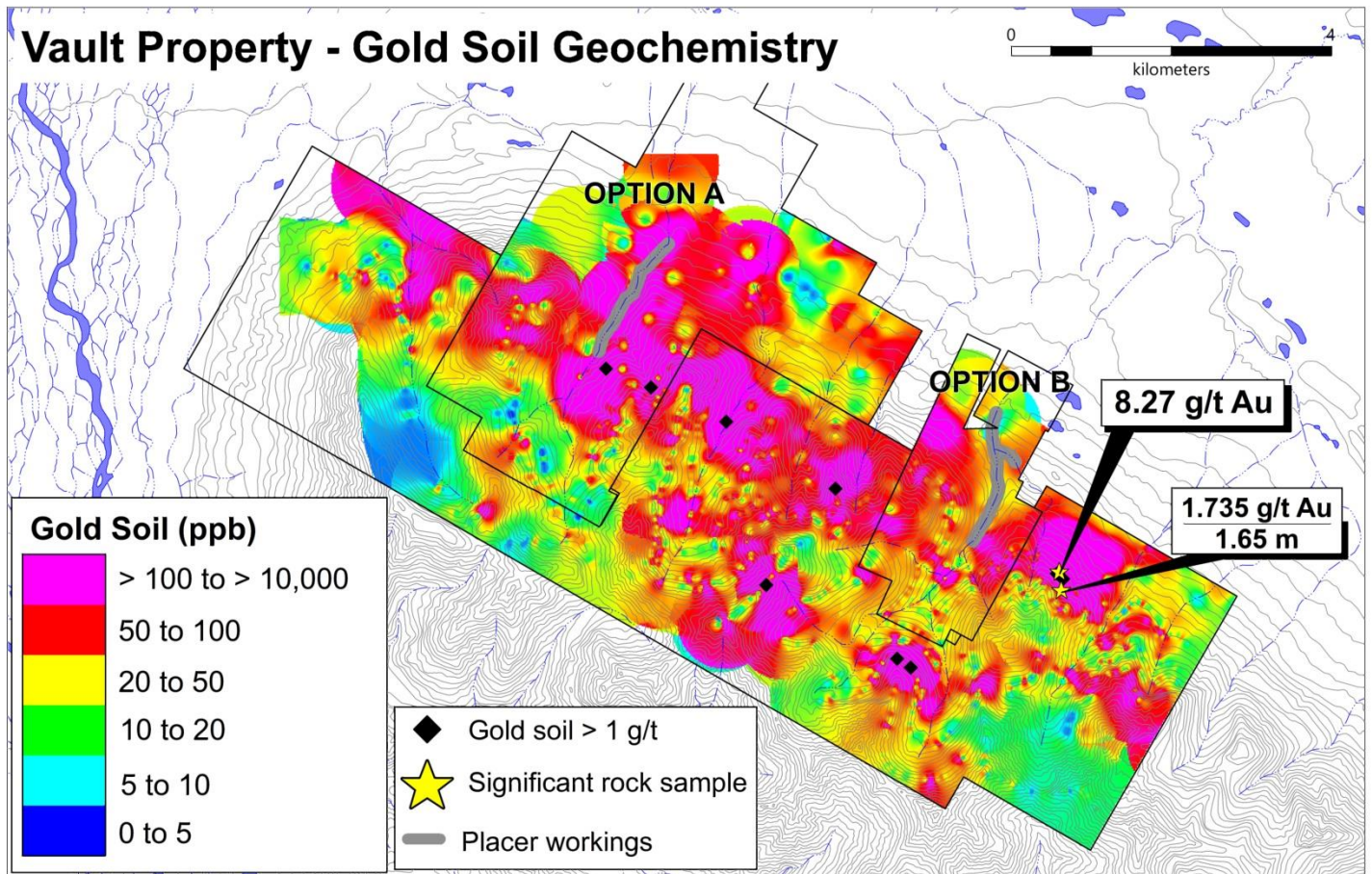


FIGURE 4: GOLD GEOCHEMISTRY

Since 1952, intermittent exploration by various parties has returned widespread gold-enriched soil results. In the last two years, systematic exploration by Strategic Metals has defined numerous robust gold-in-soil anomalies, which include 21 samples grading more than 500 ppb, six of which are greater than 1000 ppb (one exceeding 10,000 ppb). Most soil anomalies have received little or no follow up prospecting and, where prospecting has been done, it is hampered by thick vegetation, alpine talus slopes and till at lower elevations. The combination of geomorphological factors effectively masks recessively weathered mineralized veins and fracture zones. None of the geochemically anomalous areas or showings have been drill tested.

The Vault property has received little systematic exploration despite its relatively easy access, its proximity to the past producing Wellgreen Mine and the presence of placer mines in immature alpine drainages. The structures, lithologies and gold signatures found on the property are favourable for mesothermal gold mineralization.



QUARTZ FLOAT GRADING 8.72 g/t GOLD



QUARTZ VEIN OUTCROP GRADING 1.735 g/t GOLD OVER 1.65 m

FOR MORE INFORMATION OF THIS PROPERTY

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