ARCHER, CATHRO & ASSOCIATES (1981) LIMITED
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ASSESSMENT REPORT

describing

PROSPECTING AND SOIL GEOCHEMICAL SAMPLING

at the

KAR PROPERTY

Kar 1-16 YD33869-YD33884

NTS 095D/9
Latitude 60°32′N; Longitude 126°12′W

located in the

Watson Lake Mining District
Yukon Territory

prepared by

Archer, Cathro & Associates (1981) Limited

for

STRATEGIC METALS LTD.

by

A. Mitchell, B.Sc.
and
S. Eaton, B.Sc., GIT

April 2011

CONTENTS

APPENDICES

FIGURES

TABLES

INTRODUCTION

The Kar property covers a prominent gossan that lies near the Toobally Fault in southeastern Yukon. The property is owned by Strategic Metals Ltd.

This report describes grid soil sampling and prospecting conducted on June 8, 2010 by Archer, Cathro and Associates (1981) Limited on behalf of Strategic Metals. One of the authors (S. Eaton) directed the program. Both authors' Statements of Qualifications are in Appendix I.

PROPERTY LOCATION, CLAIM DATA AND ACCESS

The Kar property comprises 16 contiguous quartz claims located in southeastern Yukon at latitude 60°32′ north and longitude 126°12′ west on NTS map sheet 095D/9 (Figure 1). The property covers an area of about 320 hectares (3.2 km^2). The claims are registered with the Watson Lake Mining Recorder in the name of Archer Cathro, which holds them in trust for Strategic Metals. Specifics concerning claim registration are tabulated below, while the locations of individual claims are shown on Figure 2.

Claim Name	Grant Number	Expiry Date*
Kar 1-16	YD33869-YD33884	March 9, 2016

*Expiry date includes 2010 work which has been filed for assessment credit but not yet accepted.

Access to the property was provided by a Hughes 500D helicopter operated by Kluane Airways from the Watson Lake airport, which is located approximately 150 km southeast of the property. All personnel stayed at a hotel in Watson Lake.

The community of Watson Lake is the nearest supply centre. The closest road access is from the Alaska Highway, which at its nearest point is 95 km to the southeast of the property. The Alaska Highway is usable in all seasons by two wheel drive vehicles.

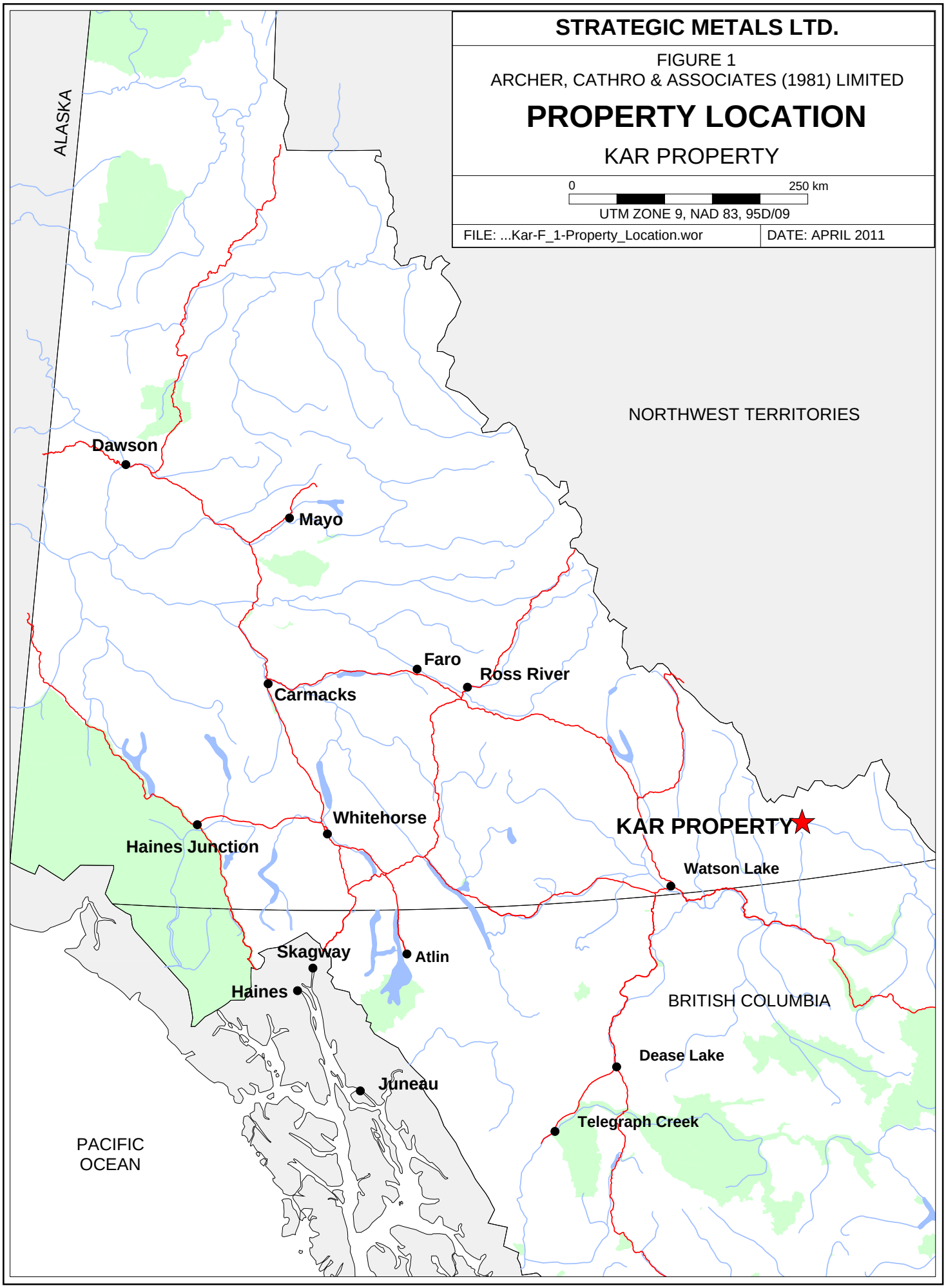
HISTORY AND PREVIOUS WORK

In 1963, Frances River Syndicate (Canex Aerial Explorations Ltd., Kerr Addison Mines Ltd. and Newconex Canadian Exploration Ltd.) discovered a prominent gossan within dolostone and sandstone (Deklerk and Traynor, 2005).

In 1966, Atlas Exploration Ltd. staked the Too claims (1-20) over the gossan and completed limited geological mapping and geochemical sampling. Anomalous lead values were obtained from the gossan (no report is available for this work). The Too claims were allowed to expire.

In 1979, Getty Canadian Minerals Ltd. restaked the gossan as the Karen claims (1-32). No work was reported and the claims subsequently lapsed.

In 2009, the Yukon Geological Survey (YGS) visited the gossan during a regional mapping program (Pigage et. al., 2010). The YGS collected samples from the gossan and adjacent,


STRATEGIC METALS LTD.
FIGURE 1
ARCHER, CATHRO & ASSOCIATES (1981) LIMITED
PROPERTY LOCATION
KAR PROPERTY
0
250 km
UTM ZONE 9, NAD 83, 95D/09
FILE: ...Kar-F_1-Property_Location.wor
DATE: APRIL 2011
ALASKA
NORTHWEST TERRITORIES
Dawson
Mayo
Faro
Ross River
Carmacks
Whitehorse
KAR PROPERTY
Haines Junction
Watson Lake
Skagway
Atlin
Haines
BRITISH COLUMBIA
Dease Lake
Juneau
Telegraph Creek
PACIFIC
OCEAN

pervasively altered sandstone(?). Results from these samples are discussed in the Mineralization section.

GEOMORPHOLOGY AND CLIMATE

The Kar property is situated in the Liard Plateau south of the Selwyn Mountains. It is drained by creeks that flow into the Beaver River, which ultimately connects to the Arctic Ocean via the Liard and Mackenzie rivers.

Local elevations on the property range from 700 to 950 m above sea level (asl). Topographic relief in the area is gentle, but the property is cut by a deeply incised valley with steep walls. Outcrop is limited to the steepest sections of the valley walls. The property lies entirely below treeline. Vegetation comprises black spruce and alder with an understory of low shrubs and moss.

Much of the overburden in the region is associated with the most recent Cordilleran ice sheet, the McConnell glaciation, which is believed to have covered south and central Yukon between 26,500 and 10,000 years ago (Yukon Geological Survey, 2010). The area was covered by the Liard Lobe of the ice sheet, which moved in an eastward to north-eastward direction. Bedrock on the property is capped by glacial till, which is exposed along valley walls.

The climate in the Kar area is typical of northern continental regions with long, cold winters, truncated fall and spring seasons and short, mild summers. Although summers are relatively mild, arctic cold fronts often cover the area and snowfall can occur in any month. The property is mostly snow free from early June to late September.

GEOLOGY

The Coal River map sheet (NTS 095D) was mapped at a regional scale (1:250,000) by the Geological Survey of Canada (GSC) in 1969 (Gabrielse and Blusson, 1969) and the YGS in 2009 and 2010 (Pigage et. al., 2010).

The Kar property is located within Selwyn Basin (Figure 3), a tectonic element comprising deep water clastic rocks, chert and minor carbonate accumulated along the North American continental margin during Paleozoic time (Pigage, 2004). In the Kar property area, the package comprises Cambrian to Ordovician Crow Formation and conformably overlying Ordovician Sun Blood Formation (Figure 4). Detailed descriptions of these units are provided in Table I.

Table I – Lithological Units (*after Pigage et. al., 2010*)

Unit Name	Map Name	Age	Description
Osu	Sunblood Formation	Ordovician	Light to dark grey, light brownish grey-, buff- or orange-weathering, mottled, thin to thick bedded dolostone or limestone; commonly bioturbated; locally laminated.

COc	Crow Formation	Cambrian to Ordovician	Cream to pink, indistinctly bedded, quartzose to subarkosic sandstone; lesser maroon to greyish red, laminated siltstone to argillite; minor quartz-sandstone conglomerate, limestone and dolostone interbeds.

The property lies one kilometre west of the Toobally Thrust Fault, which is a north-trending structure that juxtaposes Cambrian to Ordovician sedimentary rocks to the west against Mississippian to Permian sedimentary rocks to the east. The Kar property is situated within the hangingwall of the fault.

On the property, bedding within Crow Formation strikes southeasterly and dips 034° to the northwest.

MINERALIZATION

Mineralization at the Kar property comprises layered to massive goethite with local boxwork limonite and ferricrete. The goethite is dense but has strongly fractured and decomposed sections. The gossan is only exposed on the walls of the deeply incised valley that cuts the property. It extends approximately east to west perpendicular to the stream direction, and continues intermittently downstream for about 600 m to a second, smaller gossan prominent gossan is exposed.

Analyses from a sample of ferricrete taken in 2009 by the YGS (Pigage et. al., 2010) returned anomalous values for arsenic (185.5 ppm), zinc (218.2 ppm), lead (38.2 ppm), nickel (95.9 ppm), cobalt (90.5 ppm), manganese (>10,000 ppm) and iron (33.2%).

The gossan overlies indurated, subarkosic sandstones of the Crow Formation that have been pervasively altered to a white, soft, nonindurated, bedded fine siltstone (Pigage et. al., 2010). A grab sample of this material collected by the YGS was anomalous in barium (1,907 ppm).

In 2010, Strategic Metals collected thirteen rock and chip samples on the Kar property. All samples were taken from the gossan except one, which was collected from the underlying white alteration zone. Sample locations are shown on Figure 5, while results for arsenic, zinc, and lead are illustrated thematically on Figures 6 to 8, respectively. Sampling and Analytical Procedures are provided in Appendix II, Rock Sample Descriptions are given in Appendix III and Certificates of Analysis are in Appendix IV.

Rock and chip samples collected from the gossan are notably enriched in arsenic (average 143 ppm, peak 618 ppm), zinc (average 529 ppm, peak 1,060 ppm), manganese (average 6,176 ppm, peak 16,200 ppm), iron (average 34.6%, peak 40.3%), antimony (average of 6 ppm, peak 17 ppm) and thallium (peak 90 ppm). Most gold and silver values are subdued (less than 5 ppb gold and 1 g/t silver). The peak values for these elements are 19 ppb gold and 1.8 g/t silver.

The rock sample from the white alteration zone yielded elevated lead (90 ppm) and antimony (7 ppm) values but the barium was relatively low (60 ppm) compared to the YGS sample. The arsenic (31 ppm), zinc (6 ppm), manganese (50 ppm), iron (0.47%), thallium (< 10 ppm), gold (< 5 ppb) and silver (0.4 g/t) values were low compared to those from the overlying gossan.

SOIL GEOCHEMISTRY

In 2010, Strategic Metals collected 24 soil samples on the plateau along strike to the southeast of the gossan. Sample locations are plotted on Figure 5, while results for arsenic, zinc and lead are illustrated thematically on Figures 6 to 8 respectively. Sampling and Analytical Procedures are given in Appendix II and the Certificates of Analysis are provided in Appendix IV.

Approximately half of the 2010 soil samples yielded weakly elevated values for arsenic ($\geq 10 \leq$ 31 ppm), zinc ($\geq 100 \leq 226$ ppm) and lead ($\geq 20 \leq 65$ ppm). The weakly anomalous arsenic values are clustered to the north of the gossan, while the elevated zinc and lead values are more widely spread throughout the grid.

DISCUSSION AND CONCLUSIONS

Strategic Metals' 2010 exploration program was designed to test the economic potential (particularly gold) of the prominent gossan on the Kar property. The exploration was modelled on the Tiger Zone, which was discovered by ATAC Resources Ltd. on its Rau property northeast of Mayo in central Yukon. Although no significant precious metal values were obtained from the Kar property, values for other metals including gold pathfinder elements arsenic, antimony and thallium were weakly to strongly elevated. The gossan is also locally enriched in zinc, lead, nickel, cobalt and manganese.

Despite the somewhat subdued nature of the 2010 results, the Kar property warrants additional exploration because: 1) weathering processes may have caused leaching, remobilization and subsequent redeposition of metals below the water table, which may have segregated gold from its more mobile pathfinder elements; 2) the presence of glacial till on the adjacent plateaus likely affected the quality of soil geochemical results and soil samples probably do not reflect metal content in underlying bedrock; and 3) intermittent, small gossans are exposed for approximately 600 m down-stream of the main gossan and have not been explored. Deep-profile soil sampling should be carried out to better constrain the size and orientation of the gossans and to test for glacial dispersion trains. Prior to commencing further soil sampling, a detailed study of the glacial movement in the area should be undertaken to determine the direction of local ice movement. Soil sampling should be performed both within the valley where bedrock is at or near surface and on the adjacent plateaus. The results should be compared to identify possible discrepancies caused by different sample material (locally derived soil versus glacial till). If soil sampling is successful and additional sampling of the gossans yields encouraging results, a diamond drill hole should test beneath the strongest of the gossans to check for possible metal segregation or zonation. A geophysical survey might be considered prior to drilling to search for evidence of a buried sulphide-rich zone underlying the gossan.

Respectfully submitted,

ARCHER, CATHRO & ASSOCIATES (1981) LIMITED

Andrew Mitchell, B.Sc.

Sarah Eaton, B.Sc., GIT

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APPENDIX I

STATEMENTS OF QUALIFICATIONS

STATEMENT OF QUALIFICATIONS

I, Andrew Mitchell, geologist, with business addresses in Whitehorse, Yukon Territory and Vancouver, British Columbia and residential address in Vancouver, British Columbia, hereby certify that:

1. I graduated from the University of British Columbia in 2010 with a B.Sc. in Earth and Environmental Sciences.

2. From 2010 to present, I have been actively engaged in mineral exploration in Yukon Territory.

3. I have personally participated in the interpretation of all data resulting from this work.

Andrew Mitchell, B.Sc.

STATEMENT OF QUALIFICATIONS

I, Sarah Eaton, geologist, with business addresses in Whitehorse, Yukon Territory and Vancouver, British Columbia and residential address in North Vancouver, British Columbia, hereby certify that:

1. I graduated from the University of British Columbia in 2007 with a B.Sc. in Honours Geological Sciences.

2. From 2002 to present, I have been actively engaged in mineral exploration in Yukon Territory, British Columbia and Northwest Territories.

3. I am a Geoscientist in Training (GIT) with the Association of Professional Engineers and Geoscientists of British Columbia (Member Number 154922).

4. I have personally participated in the field work reported herein and have interpreted all data resulting from this work.

Sarah Eaton, B.Sc. (Hon.) Geology, GIT

APPENDIX II

SAMPLING AND ANALYTICAL PROCEDURES

Rock and Chip Samples

Rock and chip sample sites on the property were marked with orange flagging tape labelled with the sample number. The location of each sample was determined using a handheld GPS unit.

Multi-element analyses for rock samples were carried out at ALS Chemex in North Vancouver, B.C. Each sample was dried, fine crushed to better than 70% passing 2 mm and then a 250 g split was pulverized to better than 85% passing 75 micron. The fine fraction was analyzed for gold using fire assay finished with atomic absorption spectroscopy (Au-AA24) and for 35 other elements using an aqua regia digestion and inductively coupled plasma-atomic emission spectroscopy analysis (ME-ICP41).

Soil Samples

Sample sites are marked by aluminum tags inscribed with the sample numbers and affixed to 0.5 m wooden lath that were driven into the ground. All soil sample locations were recorded using hand-held GPS units. Soil samples were collected from 10 to 40 cm deep holes dug by hand-held auger. They were placed into individually pre-numbered Kraft paper bags.

The soil samples were sent to ALS Chemex, where they were dried, screened to -180 microns, and then analyzed for 35 elements using ME-ICP41. An additional 30 g charge was further analysed for gold by fire assay with inductively coupled plasma-atomic emission spectroscopy finish (Au-ICP21).

APPENDIX III

ROCK SAMPLE DESCRIPTIONS

Rock Sample Descriptions Project: Watson Lk. Property: Kar NAD83, Zone 9 June 8, 2010

Sample Number:	Grid East:		E	Grid North:		N	Type:	Dimension:
G285651	UTM:	653256	E	UTM:	6714112	N	Chip	0-5 m
	Elevation:		m				Sample Width: 5 m	Abundance:

Comments: Chip sample (first 5 m of 15 m) starting at south end of geothite outcrop. Outcrop consists of rusty to dark brown weathering, massive to "layered" (typical goethitic texture) dense goethite, which is locally strongly fractured/decomposed. Chip sample taken at an azimuth of 204 degrees, to cut the supposed 114 strike of the structure. There is rusty soil and goethite boulders/ subcrop on both sides of outcrop - can't tell if it is in place so not part of chip sample.

Sample Number:	Grid East:		E	Grid North:		N	Type:	Dimension:
G285652	UTM:	653256	E	UTM:	6714112	N	Chip	5-10 m
	Elevation:		m				Sample Width: 5 m	Abundance:

Comments: Same as G285651, but 5-10 m interval.

Sample Number:	Grid East:		E	Grid North:		N	Type:	Dimension:
G285653	UTM:	653256	E	UTM:	6714112	N	Chip	10-15 m
	Elevation:		m				Sample Width: 5 m	Abundance:

Comments: Same as G285651, but 10-15 m interval.

Sample Number:	Grid East:		E	Grid North:		N	Type:	Dimension:
G285654	UTM:	653180	E	UTM:	6714118	N	Grab	
	Elevation:		m				Sample Width:	Abundance:

Comments: Rusty weathering, dense purple goethite and layered (typical goethitic textures) brown-orange goethite exposed in rusty soil. Adjacent to stromatolitic dolomite outcrop, which lies to the north. Part of main gossanous horizon.

Sample Number:	Grid East:		E	Grid North:		N	Type:	Dimension:
G285655	UTM:	653172	E	UTM:	6714061	N	Composite	
	Elevation:		m				Sample Width:	Abundance:

Comments: 20 fragments of fairly dense, rusty-purple-brown goethite in talus/soil train below cliffy goethite horizon. Goethite lies above clayey decomposed white layer.

Sample Number:	Grid East:		E	Grid North:		N	Type:	Dimension:
G285656	UTM:	653159	E	UTM:	6714085	N	Composite	
	Elevation:		m				Sample Width:	Abundance:

Comments: Several fragments to cobbles of rusty-purple goethite with local orange-red boxwork limonite. Not well exposed - in trees.

Rock Sample Descriptions Project: Watson Lk. Property: Kar NAD83, Zone 9 June 8, 2010

Sample Number:	Grid East:		E	Grid North:		N	Type:	Composite	Dimension:	
G285657	UTM:	653185	E	UTM:	6714134	N	Sample Width:		Abundance:	
	Elevation:		m							

Comments: 10 pieces of dense purple goethite in rusty soil 5 m from top of ridge. Can't trace it beyond this point because of thick moss/vegetation. Gossan appears to be about 10 m across.

Sample Number:	Grid East:		E	Grid North:		N	Type:	Composite	Dimension:	
G285658	UTM:	653476	E	UTM:	6714018	N	Sample Width:		Abundance:	
	Elevation:		m							

Comments: reddish purple boxworky goethite. Three pieces from outcrop within 2 x 2 meter area

Sample Number:	Grid East:		E	Grid North:		N	Type:	Grab	Dimension:	
G285659	UTM:	653480	E	UTM:	6714013	N	Sample Width:		Abundance:	
	Elevation:		m							

Comments: rusty purple grey weathering, locally limonitic and goethitic dolomite? Strongly weathered and oxidized. From very top of gossen.

Sample Number:	Grid East:		E	Grid North:		N	Type:	Grab	Dimension:	
G285660	UTM:	653480	E	UTM:	6714013	N	Sample Width:		Abundance:	
	Elevation:		m							

Comments: very dense purple with local orange patches goethite, no rep. From very top of gossan.

Sample Number:	Grid East:		E	Grid North:		N	Type:	Chip	Dimension:	
G285661	UTM:	653476	E	UTM:	6714018	N	Sample Width:	6m	Abundance:	
	Elevation:		m							

Comments: 6 meter chip sample across rusty purple weathering goethitic outcrop. Rusty soil and boulders on each side of outcrop, but could not determine if in place. No rep.

Sample Number:	Grid East:		E	Grid North:		N	Type:	Composite	Dimension:	
G285662	UTM:	653457	E	UTM:	6714016	N	Sample Width:		Abundance:	plentiful
	Elevation:		m							

Comments: 3 pieces of reddish orange purple, fairly dense goethite but with some typical goethitic textures. From gossan.

Rock Sample Descriptions

Project: Watson Lk. | Property: Kar | NAD83, Zone 9 | June 8, 2010

Sample Number: G285707
Grid East: E | Grid North: N | Type: Outcrop | Dimension:
UTM: 653172 E | UTM: 6714095 N | Sample Width: | Abundance:
Elevation: m

Comments: Grab sample from 6 x 8 m cliff of soft, white clay (gypsum)? White alteration horizon underlies gossanous horizon.

Sample Number:
Grid East: E | Grid North: N | Type: | Dimension:
UTM: E | UTM: N | Sample Width: | Abundance:
Elevation: m

Comments:

Sample Number:
Grid East: E | Grid North: N | Type: | Dimension:
UTM: E | UTM: N | Sample Width: | Abundance:
Elevation: m

Comments:

Sample Number:
Grid East: E | Grid North: N | Type: | Dimension:
UTM: E | UTM: N | Sample Width: | Abundance:
Elevation: m

Comments:

Sample Number:
Grid East: E | Grid North: N | Type: | Dimension:
UTM: E | UTM: N | Sample Width: | Abundance:
Elevation: m

Comments:

Sample Number:
Grid East: E | Grid North: N | Type: | Dimension:
UTM: E | UTM: N | Sample Width: | Abundance:
Elevation: m

Comments:

APPENDIX IV

CERTIFICATES OF ANALYSIS

ALS Chemex
EXCELLENCE IN ANALYTICAL CHEMISTRY
ALS Canada Ltd.
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Phone: 604 984 0221 Fax: 604 984 0218 www.alschemex.com

To: **STRATEGIC METALS LTD.**
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Finalized Date: 29-JUN-2010
Account: MTT

CERTIFICATE VA10079587

Project: KAR

P.O. No.:

This report is for 24 Soil samples submitted to our lab in Vancouver, BC, Canada on 17-JUN-2010.

The following have access to data associated with this certificate:

JOAN MARIACHER	BILL WENGZYNOWSKI	

SAMPLE PREPARATION

ALS CODE	DESCRIPTION
WEI-21	Received Sample Weight
LOG-22	Sample login - Rcd w/o BarCode
SCR-41	Screen to -180um and save both

ANALYTICAL PROCEDURES

ALS CODE	DESCRIPTION	INSTRUMENT
Au-ICP21	Au 30g FA ICP-AES Finish	ICP-AES
ME-ICP41	35 Element Aqua Regia ICP-AES	ICP-AES

To: **STRATEGIC METALS LTD.**
ATTN: JOAN MARIACHER
C/O ARCHER, CATHRO & ASSOCIATES (1981) LIMITED
1016-510 W HASTINGS ST
VANCOUVER BC V6B 1L8

This is the Final Report and supersedes any preliminary report with this certificate number. Results apply to samples as submitted. All pages of this report have been checked and approved for release.

Signature:

Colin Ramshaw, Vancouver Laboratory Manager

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Project: KAR

Finalized Date: 29-JUN-2010
Account: MTT

CERTIFICATE OF ANALYSIS VA10079587

Sample Description	Method	WEI-21	Au-ICP21	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41
	Analyte	Recvd Wt.	Au	Ag	Al	As	B	Ba	Be	Bi	Ca	Cd	Co	Cr	Cu	Fe
	Units	kg	ppm	ppm	%	ppm	ppm	ppm	ppm	ppm	%	ppm	ppm	ppm	ppm	%
	LOR	0.02	0.001	0.2	0.01	2	10	10	0.5	2	0.01	0.5	1	1	1	0.01
CC81601		0.18	<0.001	<0.2	0.37	12	<10	2020	0.9	<2	0.05	<0.5	<1	6	3	0.20
CC81602		0.16	<0.001	<0.2	1.17	12	<10	190	0.6	<2	0.04	<0.5	6	21	11	1.97
CC81603		0.24	<0.001	<0.2	0.43	8	<10	280	0.5	<2	6.61	0.9	5	10	13	0.99
CC81604		0.18	<0.001	0.2	0.78	31	<10	210	2.6	<2	0.06	<0.5	10	6	6	6.77
CC81605		0.28	<0.001	<0.2	0.22	26	<10	50	0.9	<2	0.06	<0.5	1	7	17	0.85
CC81606		0.26	<0.001	0.4	1.20	24	<10	460	1.1	<2	1.69	1.4	13	30	22	2.93
CC81607		0.24	<0.001	<0.2	0.83	29	<10	260	0.6	<2	0.19	<0.5	6	21	12	1.48
CC81608		0.20	<0.001	<0.2	0.61	21	<10	140	<0.5	<2	0.04	2.4	5	11	2	1.84
CC81609		0.14	<0.001	<0.2	1.40	13	<10	200	0.7	<2	0.10	0.5	9	25	10	2.44
CC81610		0.18	<0.001	<0.2	1.61	15	<10	220	0.8	<2	0.19	<0.5	11	32	18	2.94
CC81611		0.24	<0.001	<0.2	1.88	14	<10	320	0.8	<2	0.26	0.7	11	35	23	3.35
CC81612		0.22	<0.001	<0.2	0.74	10	<10	140	0.5	<2	0.15	0.7	7	18	9	2.04
CC81613		0.20	<0.001	<0.2	0.45	8	<10	130	<0.5	<2	0.07	2.6	7	15	10	1.72
CC81614		0.12	<0.001	<0.2	0.50	2	<10	50	<0.5	<2	0.04	0.5	3	15	5	1.23
CC81615		0.18	<0.001	<0.2	0.79	6	<10	110	<0.5	<2	0.07	0.9	4	15	4	1.66
CC81616		0.22	<0.001	<0.2	1.06	11	<10	200	0.6	<2	0.14	1.0	8	24	16	2.66
CC81617		0.22	<0.001	<0.2	0.68	9	<10	160	<0.5	<2	0.11	1.1	5	18	7	1.91
CC81618		0.26	<0.001	<0.2	0.83	9	<10	240	<0.5	<2	0.14	1.4	7	14	5	1.64
CC81619		0.16	0.003	<0.2	1.17	11	<10	210	0.8	<2	0.20	0.5	8	26	14	2.27
CC81620		0.18	0.002	0.2	1.42	10	<10	280	0.9	<2	0.32	0.6	8	30	16	2.42
CC81621		0.14	<0.001	<0.2	1.03	7	<10	120	<0.5	<2	0.10	<0.5	5	19	5	2.16
CC81622		0.18	<0.001	0.2	0.90	9	<10	190	<0.5	<2	0.11	1.0	5	16	10	1.84
CC81623		0.16	<0.001	0.2	0.87	15	<10	170	<0.5	<2	0.06	1.1	5	22	12	2.69
CC81624		0.24	<0.001	<0.2	0.96	9	<10	150	<0.5	<2	0.07	<0.5	5	18	8	2.03

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To: **STRATEGIC METALS LTD.**
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1016-510 W HASTINGS ST
VANCOUVER BC V6B 1L8

Project: KAR

Finalized Date: 29-JUN-2010
Account: MTT

CERTIFICATE OF ANALYSIS VA10079587

Sample Description	Method	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41
	Analyte	Ga	Hg	K	La	Mg	Mn	Mo	Na	Ni	P	Pb	S	Sb	Sc	Sr
	Units	ppm	ppm	%	ppm	%	ppm	ppm	%	ppm	ppm	ppm	%	ppm	ppm	ppm
	LOR	10	1	0.01	10	0.01	5	1	0.01	1	10	2	0.01	2	1	1
CC81601		<10	1	0.05	20	0.01	7	<1	<0.01	<1	1890	63	<0.01	<2	5	719
CC81602		<10	<1	0.07	10	0.27	128	1	0.01	21	210	22	<0.01	<2	2	25
CC81603		<10	<1	0.04	10	3.39	145	2	0.01	21	930	14	0.01	4	3	155
CC81604		<10	<1	0.02	20	0.02	878	<1	<0.01	16	890	37	<0.01	<2	3	95
CC81605		<10	<1	0.03	20	0.02	35	<1	<0.01	3	260	26	<0.01	<2	6	31
CC81606		<10	<1	0.09	20	0.74	381	4	0.01	54	530	29	0.02	<2	6	32
CC81607		<10	1	0.05	20	0.11	202	<1	<0.01	17	510	15	<0.01	<2	4	113
CC81608		<10	<1	0.03	10	0.09	806	1	<0.01	7	400	13	<0.01	<2	1	12
CC81609		<10	<1	0.07	10	0.38	260	1	0.01	25	320	24	<0.01	3	2	16
CC81610		<10	<1	0.10	20	0.48	330	2	<0.01	39	300	27	<0.01	<2	3	16
CC81611		<10	1	0.12	20	0.59	380	2	<0.01	46	470	31	<0.01	<2	4	20
CC81612		<10	<1	0.08	10	0.24	302	2	<0.01	23	630	20	<0.01	<2	2	16
CC81613		<10	1	0.05	10	0.06	319	3	<0.01	19	560	14	0.01	<2	1	9
CC81614		<10	1	0.05	10	0.07	68	1	<0.01	12	390	15	<0.01	<2	1	10
CC81615		<10	1	0.05	10	0.21	155	1	<0.01	12	390	15	<0.01	<2	1	11
CC81616		<10	1	0.10	10	0.36	254	3	<0.01	34	540	23	0.01	<2	2	15
CC81617		<10	<1	0.06	10	0.16	297	3	<0.01	18	350	15	<0.01	<2	1	11
CC81618		<10	<1	0.03	10	0.14	496	1	0.01	12	240	13	<0.01	<2	1	11
CC81619		<10	<1	0.07	20	0.37	303	1	0.01	34	340	25	<0.01	<2	4	14
CC81620		<10	1	0.08	20	0.40	258	1	0.01	37	290	25	<0.01	<2	5	15
CC81621		<10	<1	0.06	20	0.32	186	1	0.01	14	270	17	<0.01	<2	1	11
CC81622		<10	<1	0.05	10	0.24	240	2	0.01	17	260	11	0.01	<2	1	10
CC81623		<10	<1	0.06	10	0.21	159	4	0.01	27	620	16	0.01	<2	2	10
CC81624		<10	<1	0.05	10	0.26	151	2	0.01	21	260	14	0.01	<2	2	10

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Project: KAR

Finalized Date: 29-JUN-2010
Account: MTT

CERTIFICATE OF ANALYSIS VA10079587

Sample Description	Method	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41
	Analyte	Th	Ti	Tl	U	V	W	Zn
	Units	ppm	%	ppm	ppm	ppm	ppm	ppm
	LOR	20	0.01	10	10	1	10	2
CC81601		<20	<0.01	<10	<10	16	<10	<2
CC81602		<20	0.01	<10	<10	45	<10	86
CC81603		<20	<0.01	<10	<10	31	<10	95
CC81604		<20	0.01	<10	<10	22	<10	63
CC81605		<20	0.01	<10	<10	30	<10	10
CC81606		<20	0.01	<10	<10	87	<10	201
CC81607		<20	0.02	<10	<10	35	<10	31
CC81608		<20	0.01	<10	<10	33	<10	147
CC81609		<20	0.02	<10	<10	50	<10	181
CC81610		<20	0.02	<10	<10	57	<10	161
CC81611		<20	0.02	<10	<10	73	<10	212
CC81612		<20	0.01	<10	<10	48	<10	142
CC81613		<20	<0.01	<10	<10	54	<10	157
CC81614		<20	0.02	<10	<10	38	<10	65
CC81615		<20	0.02	<10	<10	42	<10	113
CC81616		<20	0.02	<10	<10	58	<10	226
CC81617		<20	0.02	<10	<10	56	<10	134
CC81618		<20	0.02	<10	<10	37	<10	202
CC81619		<20	0.02	<10	<10	48	<10	147
CC81620		<20	0.02	<10	<10	56	<10	159
CC81621		<20	0.02	<10	<10	43	<10	105
CC81622		<20	0.02	<10	<10	39	<10	140
CC81623		<20	0.01	<10	<10	58	<10	143
CC81624		<20	0.01	<10	<10	44	<10	130

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To: **STRATEGIC METALS LTD.**
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1016-510 W HASTINGS ST
VANCOUVER BC V6B 1L8

Finalized Date: 24-JUN-2010
Account: MTT

CERTIFICATE VA10079585

Project: Kar

P.O. No.:

This report is for 13 Rock samples submitted to our lab in Vancouver, BC, Canada on 14-JUN-2010.

The following have access to data associated with this certificate:

JOAN MARIACHER	BILL WENGZYNOWSKI	

SAMPLE PREPARATION

ALS CODE	DESCRIPTION
WEI-21	Received Sample Weight
LOG-22	Sample login - Rcd w/o BarCode
CRU-31	Fine crushing - 70% <2mm
SPL-21	Split sample - riffle splitter
PUL-31	Pulverize split to 85% <75 um

ANALYTICAL PROCEDURES

ALS CODE	DESCRIPTION	INSTRUMENT
Au-AA24	Au 50g FA AA finish	AAS
ME-ICP41	35 Element Aqua Regia ICP-AES	ICP-AES

To: **STRATEGIC METALS LTD.**
ATTN: JOAN MARIACHER
C/O ARCHER, CATHRO & ASSOCIATES (1981) LIMITED
1016-510 W HASTINGS ST
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This is the Final Report and supersedes any preliminary report with this certificate number. Results apply to samples as submitted. All pages of this report have been checked and approved for release.

Signature:

Colin Ramshaw, Vancouver Laboratory Manager

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Finalized Date: 24-JUN-2010
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Project: Kar

CERTIFICATE OF ANALYSIS VA10079585

Sample Description	Method Analyte Units LOR	WEI-21 Recvd Wt. kg 0.02	Au-AA24 Au ppm 0.005	ME-ICP41 Ag ppm 0.2	ME-ICP41 Al % 0.01	ME-ICP41 As ppm 2	ME-ICP41 B ppm 10	ME-ICP41 Ba ppm 10	ME-ICP41 Be ppm 0.5	ME-ICP41 Bi ppm 2	ME-ICP41 Ca % 0.01	ME-ICP41 Cd ppm 0.5	ME-ICP41 Co ppm 1	ME-ICP41 Cr ppm 1	ME-ICP41 Cu ppm 1	ME-ICP41 Fe % 0.01
G285651		2.92	0.009	0.9	0.62	75	<10	230	12.6	<2	0.07	2.4	66	8	19	37.1
G285652		2.08	<0.005	0.4	0.56	98	<10	420	11.3	<2	0.07	1.7	26	9	10	36.2
G285653		2.68	<0.005	0.6	0.34	222	<10	640	14.2	<2	0.12	1.7	39	11	7	37.8
G285654		0.74	0.008	0.4	0.43	59	<10	140	26.3	<2	1.36	2.9	51	1	7	32.9
G285655		0.82	<0.005	0.7	0.64	120	<10	130	23.0	2	0.05	1.2	73	8	33	27.4
G285656		0.60	<0.005	0.5	0.54	46	<10	60	23.6	<2	0.02	0.6	31	2	10	34.1
G285657		1.60	<0.005	0.5	0.40	84	<10	160	23.5	<2	0.07	1.9	56	2	5	26.8
G285658		0.20	0.019	0.6	0.62	618	<10	20	9.3	<2	0.07	<0.5	9	4	26	38.9
G285659		0.46	<0.005	0.4	0.64	97	<10	40	4.8	2	0.08	0.7	13	3	6	39.2
G285660		0.46	<0.005	0.3	1.06	217	<10	240	9.1	<2	0.07	1.0	4	6	18	31.5
G285661		2.40	<0.005	1.8	0.76	40	<10	180	8.9	<2	0.05	0.7	12	4	32	40.3
G285662		0.34	<0.005	0.5	0.70	37	<10	130	4.2	<2	0.03	0.5	5	5	13	33.3
G285707		0.16	<0.005	0.4	0.54	31	<10	60	0.9	<2	0.04	<0.5	1	11	4	0.47

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CERTIFICATE OF ANALYSIS VA10079585

Sample Description	Method	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41
	Analyte	Ga	Hg	K	La	Mg	Mn	Mo	Na	Ni	P	Pb	S	Sb	Sc	Sr
	Units	ppm	ppm	%	ppm	%	ppm	ppm	%	ppm	ppm	ppm	%	ppm	ppm	ppm
	LOR	10	1	0.01	10	0.01	5	1	0.01	1	10	2	0.01	2	1	1
G285651		<10	<1	0.08	10	0.01	16200	<1	0.01	49	2070	17	0.02	5	2	33
G285652		<10	<1	0.12	10	0.03	7900	<1	0.01	44	2420	22	0.01	6	4	40
G285653		<10	<1	0.06	10	0.05	12450	<1	0.01	45	3070	23	0.01	6	4	50
G285654		<10	<1	0.05	10	0.37	5950	<1	0.01	88	1540	28	0.01	2	2	8
G285655		<10	<1	0.07	10	0.03	6190	<1	<0.01	73	3270	30	0.01	7	6	57
G285656		<10	<1	0.05	10	0.01	4540	<1	0.01	69	1330	21	0.02	4	2	8
G285657		<10	<1	0.06	10	0.03	5500	<1	<0.01	80	1640	17	0.01	6	2	7
G285658		<10	2	0.04	<10	0.02	817	4	0.01	21	1310	69	0.03	17	4	30
G285659		<10	<1	0.05	<10	0.04	6350	<1	0.01	33	1360	17	0.06	9	12	82
G285660		<10	<1	0.06	10	0.03	436	<1	<0.01	23	1240	16	0.03	7	6	52
G285661		<10	<1	0.07	<10	0.01	6300	<1	0.01	14	1540	33	0.04	6	5	46
G285662		<10	<1	0.08	<10	0.02	1480	<1	<0.01	13	1230	22	0.03	2	4	38
G285707		<10	<1	0.10	70	0.02	50	<1	<0.01	6	390	90	0.01	7	5	95

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Sample Description	Method	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41
	Analyte	Th	Ti	Tl	U	V	W	Zn
	Units	ppm	%	ppm	ppm	ppm	ppm	ppm
	LOR	20	0.01	10	10	1	10	2
G285651		<20	<0.01	10	10	28	<10	385
G285652		<20	<0.01	20	10	25	<10	338
G285653		<20	<0.01	20	10	58	<10	415
G285654		<20	<0.01	<10	<10	20	<10	1060
G285655		<20	<0.01	20	10	31	<10	544
G285656		<20	<0.01	60	10	18	<10	895
G285657		<20	<0.01	<10	<10	11	<10	987
G285658		<20	<0.01	<10	10	32	<10	359
G285659		<20	<0.01	<10	10	57	<10	322
G285660		<20	<0.01	<10	10	33	<10	470
G285661		<20	<0.01	90	10	24	<10	316
G285662		<20	<0.01	10	10	30	<10	262
G285707		20	0.02	<10	<10	6	<10	6