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**ASSESSMENT REPORT**

describing

**AERIAL PHOTOGRAPHY**

Work performed on August 11, 2013

at the

**MELOY PROPERTY**

Meloy 1-42 YC65705-YC65766

NTS 115G/08 and 115G/09  
Latitude 61°29'N; Longitude 138°11'W

located in the

Whitehorse Mining District  
Yukon Territory

prepared by

Archer, Cathro & Associates (1981) Limited

for

**STRATEGIC METALS LTD.**

by

H. Burrell, B.Sc., P. Geo.

March 2014

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## **INTRODUCTION**

The Meloy property covers a copper±gold±silver±molybdenum±tungsten±tin±zinc porphyry prospect located in the Ruby Range of southwestern Yukon. It is owned 100% by Strategic Metals Ltd.

This report describes an aerial photography survey that was flown over the Meloy property on August 11, 2013. Archer, Cathro & Associates (1981) Limited contracted Underhill Geomatics Ltd., of Whitehorse, Yukon to perform the work through a sub-contractor, Geographic Air Survey Ltd. of Edmonton, Alberta., on behalf of Strategic Metals. The author supervised the program, and her Statement of Qualifications is in Appendix I. A Statement of Expenditures is located in Appendix II.

## **PROPERTY LOCATION, CLAIM DATA AND ACCESS**

The Meloy property comprises 42 contiguous mineral claims located approximately 90 km northwest of Haines Junction in southwestern Yukon, at latitude 61°29'N and longitude 138°11'W on NTS map sheets 115G/08 and 115G/09 (Figure 1). The property covers an area of approximately 850 ha (8.5 km<sup>2</sup>). The claims are registered with the Whitehorse Mining Recorder in the name of Archer Cathro, which holds them in trust for Strategic Metals. Claim data are listed below, while the locations of individual claims are illustrated on Figure 2.

<u>Claim Name</u>	<u>Grant Number</u>	<u>Expiry Date*</u>
Meloy 1-20	YC65705-YC65724	March 31, 2023
21-42	YC65745-YC65766	March 31, 2023

\* Expiry dates include 2013 work that has been filed for assessment credit but has not yet been accepted.

Previous workers accessed the property using a variety of helicopters operated by TransNorth Helicopters from its permanent base in Haines Junction or from a temporary base at Rockhaven Resources Ltd.'s Klaza camp, located 88 km north-northeast of the Meloy property.

The closest road access to the Meloy property is at the community of Aishihik about 35 km to the east-northeast. If required, heavy equipment could access the property via a trail that leads to old placer workings (Figure 2). That trail extends from Aishihik to the Meloy property.

The Meloy property lies within the traditional territory of the Kluane and White River first nations. The Kluane First Nation has concluded a land claim agreement with Canada and Yukon; however, the White River First Nation has not yet signed a land claim agreement.

The 2013 aerial photography survey was flown from the Whitehorse airport.

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FIGURE 1  
ARCHER, CATHRO & ASSOCIATES (1981) LIMITED

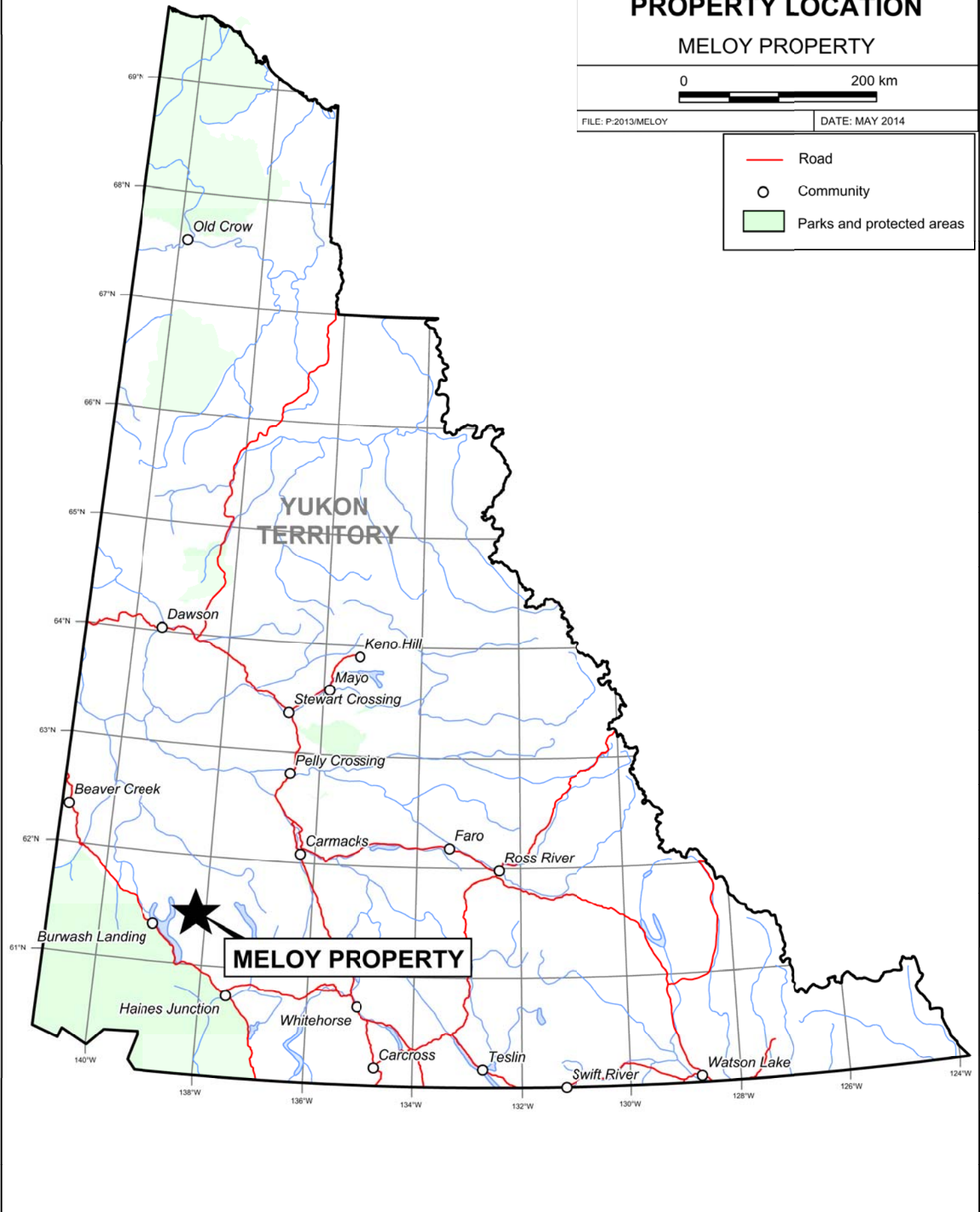
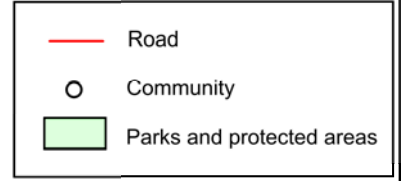
**PROPERTY LOCATION**

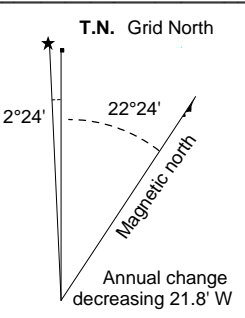
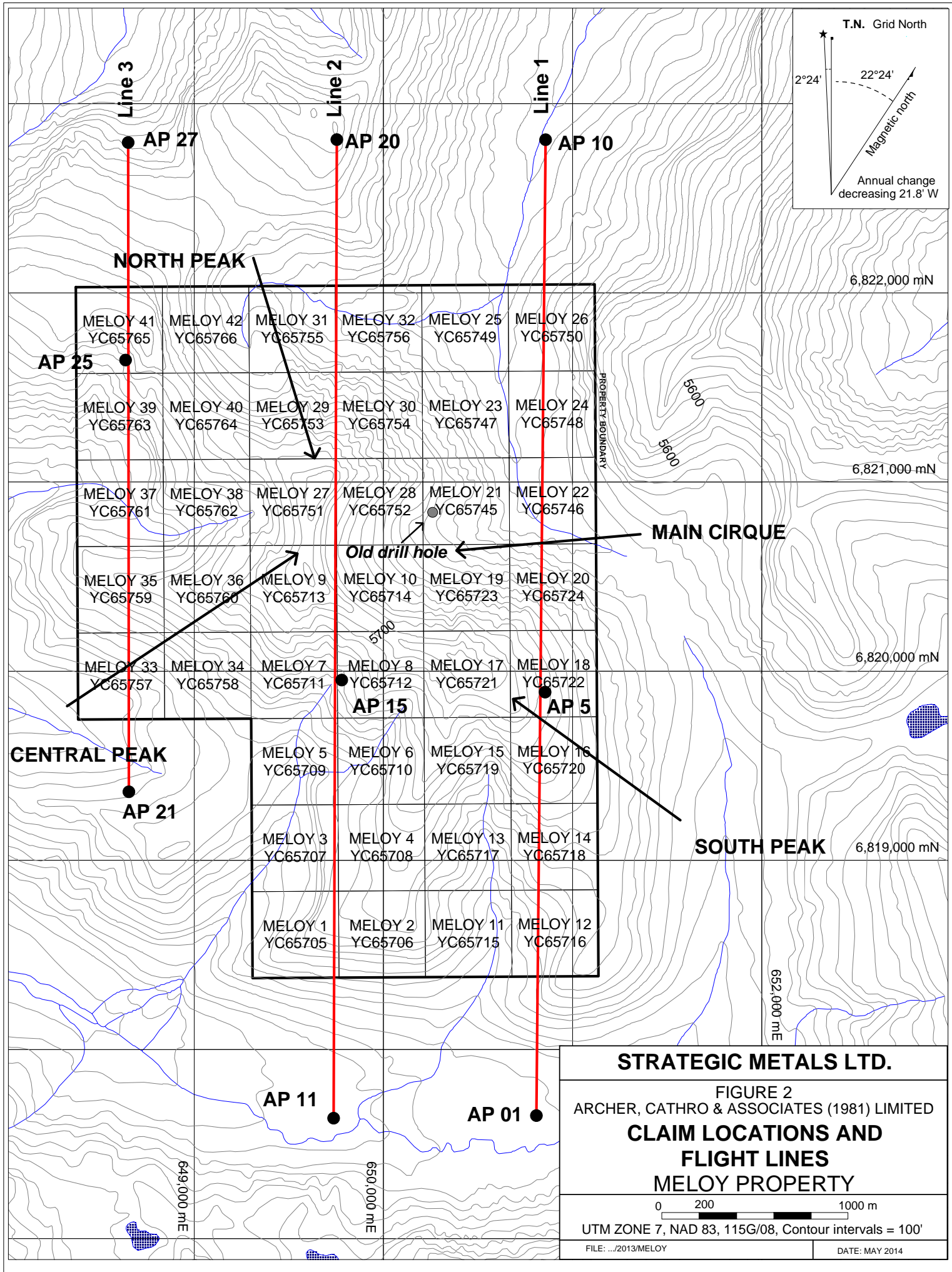
MELOY PROPERTY



FILE: P:2013/MELOY

DATE: MAY 2014





MELOY 41 YC65765	MELOY 42 YC65766	MELOY 31 YC65755	MELOY 32 YC65756	MELOY 25 YC65749	MELOY 26 YC65750
MELOY 39 YC65763	MELOY 40 YC65764	MELOY 29 YC65753	MELOY 30 YC65754	MELOY 23 YC65747	MELOY 24 YC65748
MELOY 37 YC65761	MELOY 38 YC65762	MELOY 27 YC65751	MELOY 28 YC65752	MELOY 21 YC65745	MELOY 22 YC65746
MELOY 35 YC65759	MELOY 36 YC65760	MELOY 9 YC65713	MELOY 10 YC65714	MELOY 19 YC65723	MELOY 20 YC65724
MELOY 33 YC65757	MELOY 34 YC65758	MELOY 7 YC65711	MELOY 8 YC65712	MELOY 17 YC65721	MELOY 18 YC65722
MELOY 5 YC65709	MELOY 6 YC65710	MELOY 15 YC65719	MELOY 16 YC65720		
MELOY 3 YC65707	MELOY 4 YC65708	MELOY 13 YC65717	MELOY 14 YC65718		
MELOY 1 YC65705	MELOY 2 YC65706	MELOY 11 YC65715	MELOY 12 YC65716		

PROPERTY BOUNDARY

6,822,000 mN

6,821,000 mN

6,820,000 mN

6,819,000 mN

652,000 mE

649,000 mE

650,000 mE

## HISTORY

J. Meloy initially staked the area in 1951 as the Molly claims and performed hand trenching in 1952. The Molly claims were allowed to lapse and were restaked in 1960 by J. McConnery as the Big Sam claims and again in 1962 by L. Nault as the Pag and Bird claims (Smith, 1971). No reports were filed regarding any of these claims.

In 1970, Phelps Dodge conducted mapping, geochemical surveys and one diamond drill hole (66.7 m) on the floor of the Main Cirque (Figure 2). No assays were reported from this work (Smith, 1971).

In 1986, the Geological Survey of Canada (GSC) performed a regional stream sediment survey on the map sheets where the Meloy property is located. Samples taken from streams draining the area of the property produced weakly to moderately anomalous results including peak values of 97 ppm copper, 28 ppm tungsten, and 298 ppm zinc (Friske *et al.*, 1986).

In 2007, Strategic Metals staked the Meloy property. In 2008, it performed a three day program comprising prospecting and soil sampling. Results from this work were encouraging. Twenty-six rock samples were assayed with peak values of 4.89% copper, 832 ppb gold, 9770 ppm molybdenum, 3.51% tungsten and 6420 ppm tin. One hundred and fifteen soil samples were also analyzed yielding peak values of 2300 ppm copper, 42 ppb gold, 595 ppm molybdenum, 129 ppm tungsten and 127 ppm tin (Smith, 2008).

In 2010, Strategic Metals spend one day prospecting and geochemical sampling on the Meloy property. Eleven rock and 58 soil samples were collected for analysis. Results from this work supported the anomalies identified by the 2008 geochemical survey. Rocks yielded up to 1.06 g/t gold, 110 ppm silver, 8720 ppm molybdenum, 3380 ppm tungsten, 312 ppm tin, and greater than 1% copper and 1% zinc. Soil sampling returned further anomalous results to maximums of 2000 ppm copper, 224 ppb gold, 4 ppm silver, 12 ppm molybdenum, 100 ppm tungsten, and 80 ppm tin (Smith, 2011).

Also in 2010, Strategic Metals contracted New-Sense Geophysics Ltd. of Markham, Ontario to perform an airborne magnetic survey over the property. A total of 293 line kilometres were flown. This survey identified two circular magnetic low features in the northern part of the property and a number of strong lineaments in the southern part (Smith, 2011).

From early 2011 to summer 2012, the property was under option to Alix Resources Corp. There is no record of any work that Alix may have done under terms of that agreement.

In summer 2012, after the option agreement with Alix expired, Strategic Metals performed one day of mapping, prospecting and soil sampling. Eight rock samples and 135 soil samples were collected for analysis. Rocks yielded up to 0.303 g/t gold, 1.04% copper, 18.7 ppm silver, 1.47% molybdenum, 341 ppm tungsten, 119 ppm tin, and 589 ppm zinc. Soil sampling expanded the soil geochemical anomaly to encompass an area 2500 m in diameter with a 1000 m in diameter core of strong to very strong copper, gold, silver and molybdenum values. The core is centered

on the Main Cirque and includes peak values of 4520 ppm copper, 673 ppb gold, 18.6 ppm silver, 595 ppm molybdenum, 266 ppm tungsten, 217 ppm tin and 2090 ppm zinc (Smith, 2012).

### **GEOMORPHOLOGY**

The Meloy property lies within the Ruby Range in the southern part of the Yukon Plateau. It is underlain by rugged alpine terrain characterized by sharp peaks and high rounded ridges, which are bounded by steep-walled valleys with broad flat floors. Some of the peaks and ridges may have escaped glaciation, but glacial features are common at lower elevations (Muller, 1967).

A large northwest-trending ridge runs through the centre of the property connecting three prominent peaks referred to as South, Central and North (Figure 2). A series of southwest-trending spurs extend off the South and Central peaks. South-facing slopes are moderately steep and are blanketed by relatively stable talus and vegetation. North-facing slopes are largely inaccessible because of cliffs and unstable talus.

Elevations on the property range from 1675 m to 2245 m. Sparse vegetation consisting of moss and grass is found on valley floors, south-facing slopes and in areas of low topographic relief where small plateaus have formed.

All creeks draining the property flow into Talbot Arm of Kluane Lake, which is part of the White River watershed and Yukon River system.

### **REGIONAL GEOLOGY**

The property is located in the Nisling sub-Terrane in the southwestern part of the Yukon-Tanana Terrane, which lies between the Tintina and Denali faults (Figure 3). The regional geology was originally mapped at 1:250,000 scale by the GSC in the early 1970s (Templeman-Kluit, 1974). In 1999, Gordey and Makepeace (1999) compiled regional geology in the Meloy area. In 2010, the Yukon Geological Survey (YGS) re-mapped parts of map sheets 115G and 115H (Israel et al., 2010). The following description of regional geology is based on the most recent published data.

The Meloy property lies in a geologically complex area, dominated by three main tectonic elements: 1) Kluane Schist; 2) Ruby Range Batholith; and 3) Yukon-Tanana Terrane (YTT). Collectively these elements form a northeast-dipping structural stack that exposes a roughly 40 km thick section of crust from the Denali Fault to the White River. Figure 4 illustrates the current mapping near the Meloy property, while Table I below contains updated geological descriptions of the main units in the region.



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FIGURE 3

ARCHER, CATHRO & ASSOCIATES (1981) LIMITED

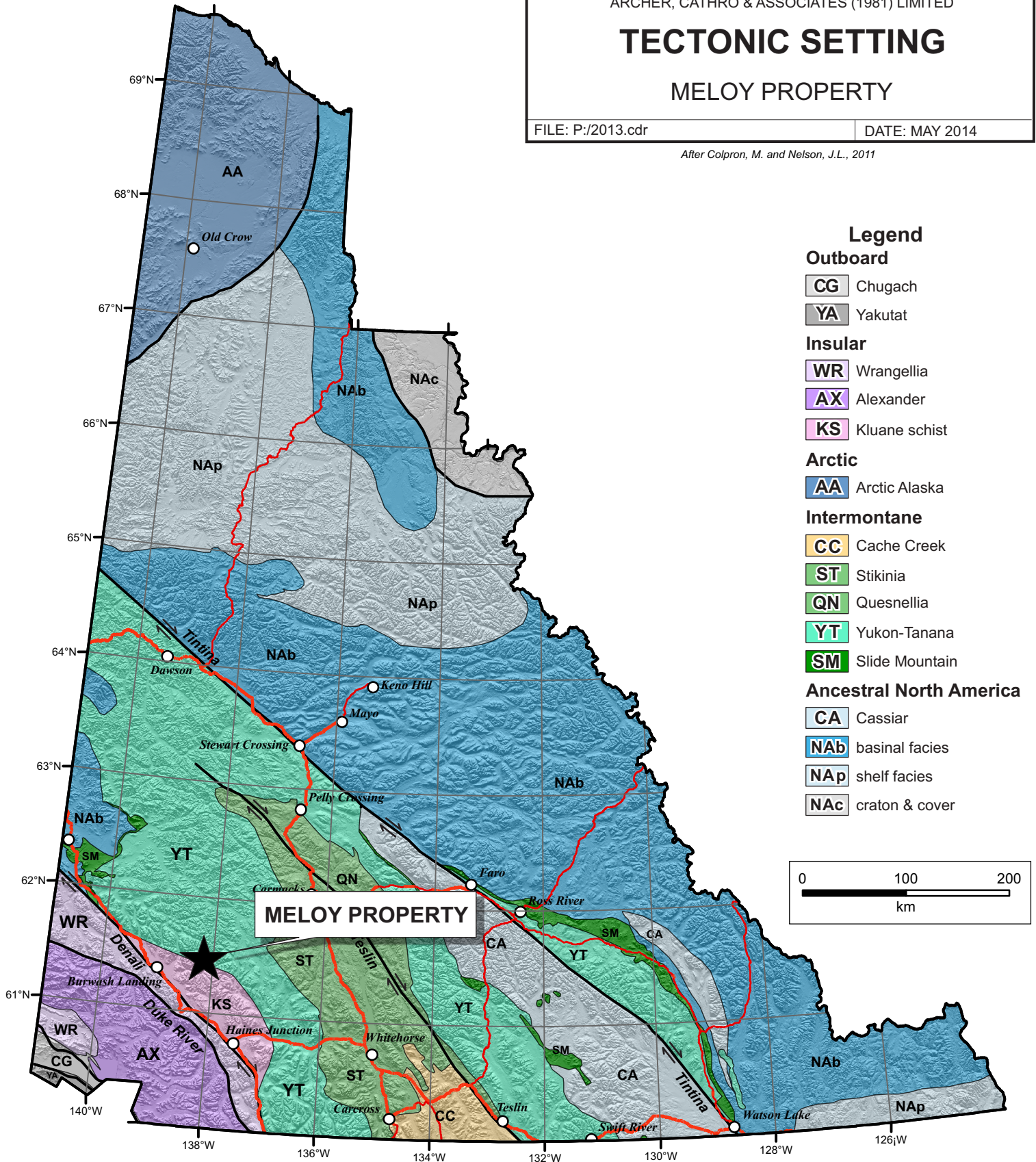
## TECTONIC SETTING

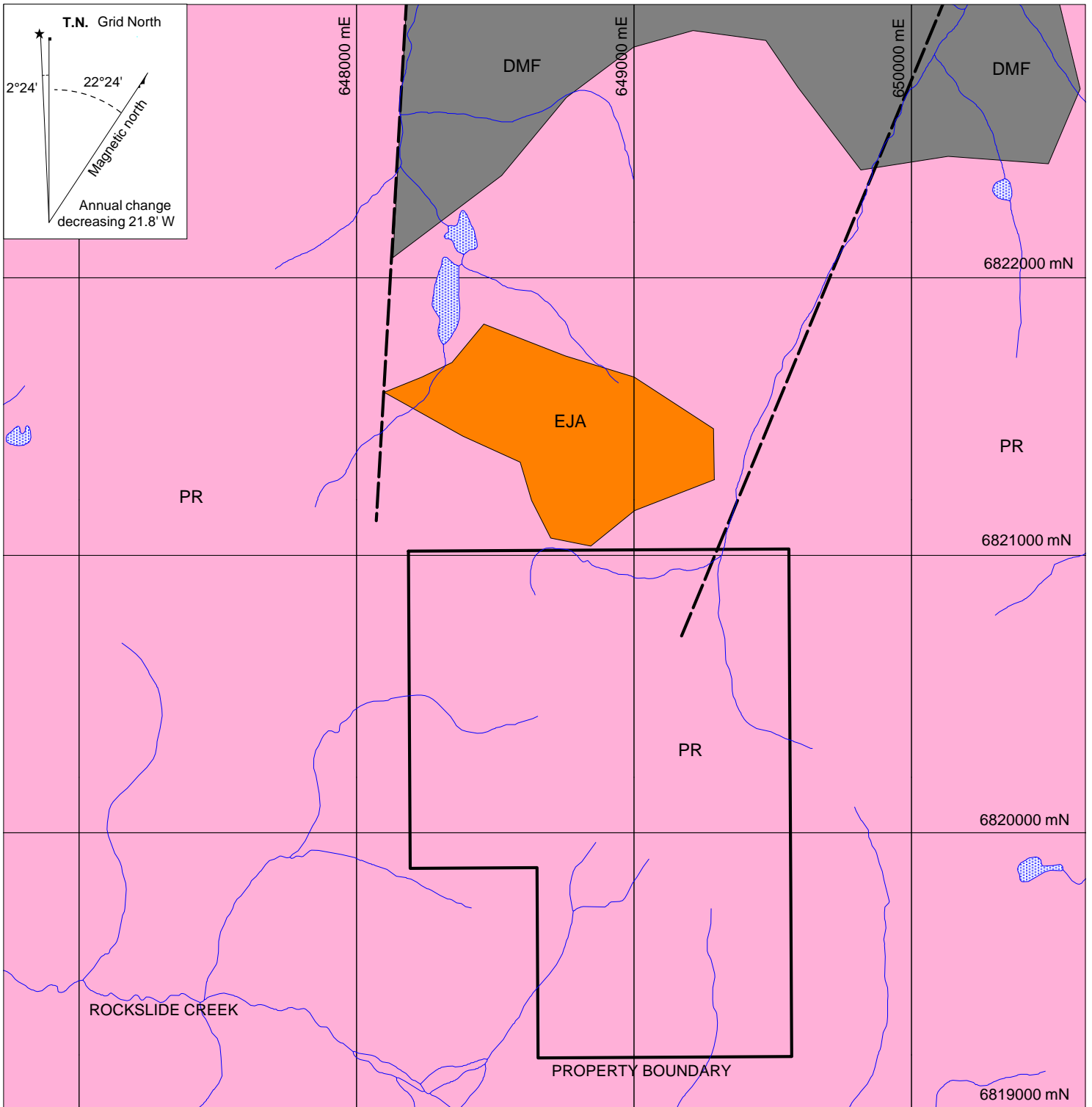
### MELOY PROPERTY

FILE: P:/2013.cdr

DATE: MAY 2014

After Colpron, M. and Nelson, J.L., 2011





**OVERLAP ASSEMBLAGES**  
PALEOCENE

**PR** Ruby Range Batholith (ca. 64-57 Ma): fine to coarse grained, salt and pepper, hornblende-biotite quartz diorite; medium grained, light grey to pinkish, biotite-hornblende granodiorite; fine to medium grained, beige to grey tonalite with distinctive smokey grey quartz.

**EARLY JURASSIC**  
**EJA** Alaskite Creek Pluton (ca. 177 Ma): massive, unfoliated, medium grained, pink and grey, biotite-hornblende granite; greenish colour from altered plagioclase crystals; moderately to strongly to magnetic.

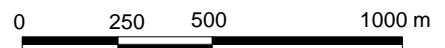
**YUKON-TANANA TERRANE**  
UPPER DEVONIAN TO LOWER MISSISSIPPIAN  
**DMF** Finalyson Assemblage: polydeformed and metamorphosed mafic to felsic metavolcanic rocks; carbonaceous pelite, quartzite and psammite; quartz-muscovite schist; light grey to beige marble.

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FIGURE 4  
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**REGIONAL GEOLOGY**

MELOY PROPERTY



**Table I – Lithological Descriptions**

Unit Name (symbol)	Age	Description ( <i>From Israel et al., 2010</i> )
Ruby Range Suite (PR)	Paleocene	Fine to coarse grained, salt and pepper, hornblende±biotite quartz diorite, medium grained, light grey to pinkish, biotite±hornblende granodiorite; fine to medium grained, beige to grey tonalite with smokey grey quartz.
Alaskite Creek (EJA)	Early Jurassic	Massive, unfoliated, medium grained, green-pink-grey, biotite±hornblende granite, plagioclase crystals altering to a greenish colour, moderately to strongly magnetic.
Finlayson Assemblage (DMF)	Upper Devonian to Lower Mississippian	Polydeformed and metamorphosed mafic to felsic metavolcanic rocks; carbonaceous pelite, quartzite and psammite; quartz-muscovite schist; light grey to beige marble.

The Finlayson Assemblage of the YTT was thrust over Kluane Schist (Israel et al., 2010), before the Ruby Range Batholith and other plutons of the Ruby Range Suite (PR) intruded between and through both of those metamorphic packages. Younger, more felsic and porphyritic phases of the intrusion occur in the top part of the batholith.

In the vicinity of the Meloy property, a Ruby Range Suite pluton obscures the Finlayson Assemblage – Kluane Schist contact. A large embayment and roof pendants of Finlayson Assemblage overlies parts of the Ruby Range Suite north of the property. The contact between the Finlayson Assemblage and the Ruby Range Suite is irregular and is often formed by faults.

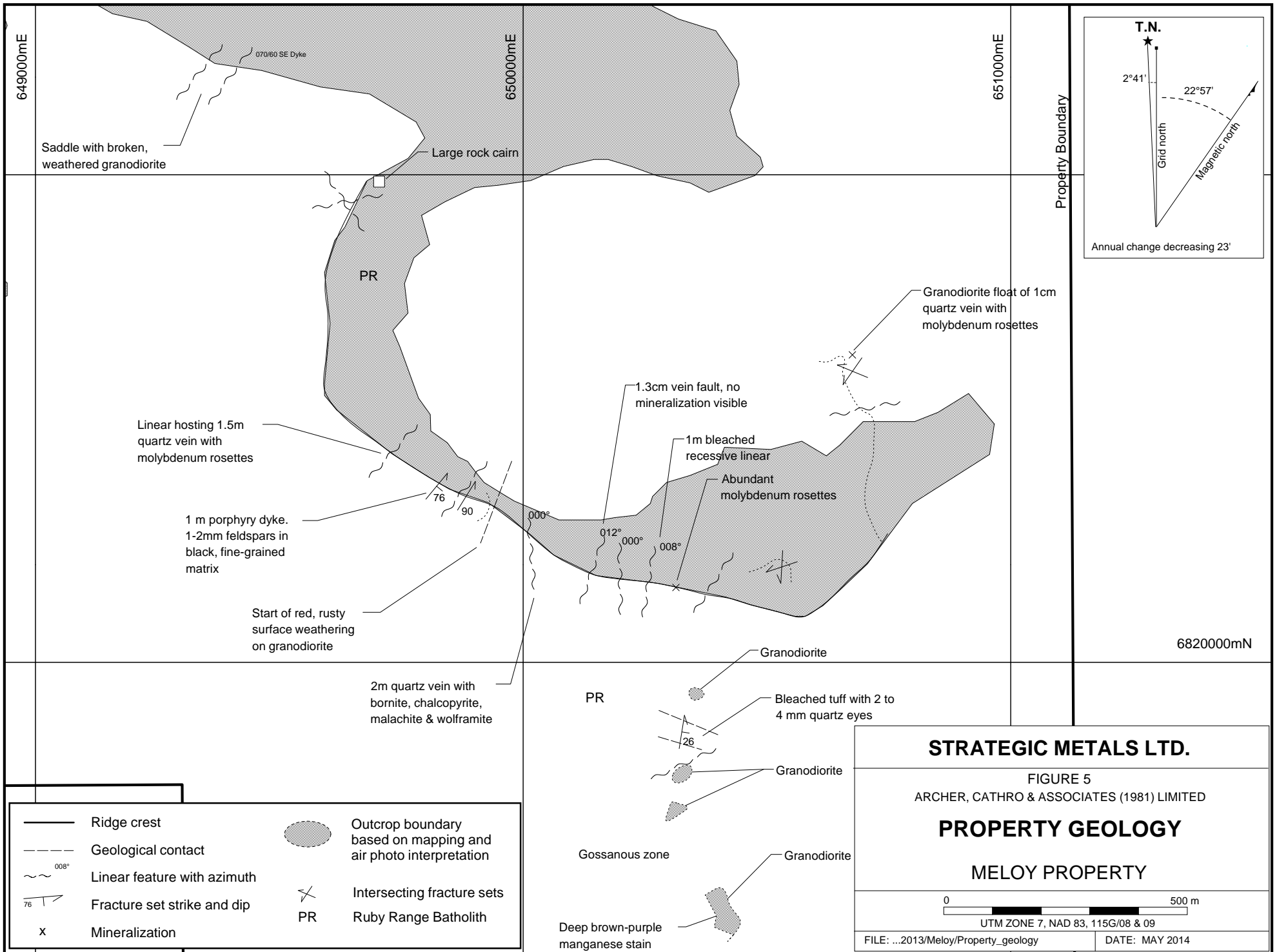
Two late-stage, north- and northeast-trending faults cut Finlayson Assemblage and Ruby Range Suite immediately north of the Meloy property. A portion of an Early Jurassic Alaskite Creek pluton (EJA) is preserved between these two faults.

### **PROPERTY GEOLOGY**

Detailed geological mapping has not been done on the property. Systematic mapping will be difficult because access to bedrock is limited by talus cover in some areas and cliffs in others. Since 2008, cursory mapping has been done along ridges and on south-facing slopes (Figure 5).

The Meloy property is wholly underlain by Ruby Range Suite, comprising medium to coarse grained, hornblende±biotite quartz diorite and medium grained, light grey to pinkish, biotite±hornblende granodiorite with well-developed smokey grey quartz crystals.

Several joint sets have been measured within Ruby Range Suite. Although a wide range of attitudes were recorded, the strongest fracture sets consistently strike north and east, both dipping sub-vertically. A number of strong, recessively weathering linears cross the main ridge. These linears typically trend 000° to 012° and mark the surface traces of up to two metre wide zones that exhibit multiple quartz-flooded fractures. Late stage, fine grained dykes (mafic and quartz-



- Ridge crest
- - - Geological contact
- ~~~~~<sup>008°</sup> Linear feature with azimuth
- 76 / \ Fracture set strike and dip
- x Mineralization
- Outcrop boundary based on mapping and air photo interpretation
- ✕ Intersecting fracture sets
- PR Ruby Range Batholith

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FIGURE 5  
ARCHER, CATHRO & ASSOCIATES (1981) LIMITED

**PROPERTY GEOLOGY**

**MELOY PROPERTY**

0  500 m

UTM ZONE 7, NAD 83, 115G/08 & 09

FILE: ...2013/Meloy/Property\_geology      DATE: MAY 2014

feldspar porphyry) parallel this fracture set. Where exposed these dykes are up to one metre thick.

### **AERIAL PHOTOGRAPHY**

On August 11, 2013 Underhill Geomatics flew aerial photography over the Meloy property on behalf of Strategic Metals. Flight lines with photo numbers are shown on Figure 2.

Appendix III contains digital aerial photographs.

An air photo interpretation was completed on the Meloy property in spring 2014. Figure 6 shows the air photo interpretation including outcrop locations, areas with distinctly coloured talus and outcrop, and areas of vegetation and overburden cover. Prominent north- and east-trending linears are commonly observed where outcrop is present; however, on south-facing talus slopes the linears are obscured. No follow up work has been done since the aerial photographs were taken.

### **MINERALIZATION**

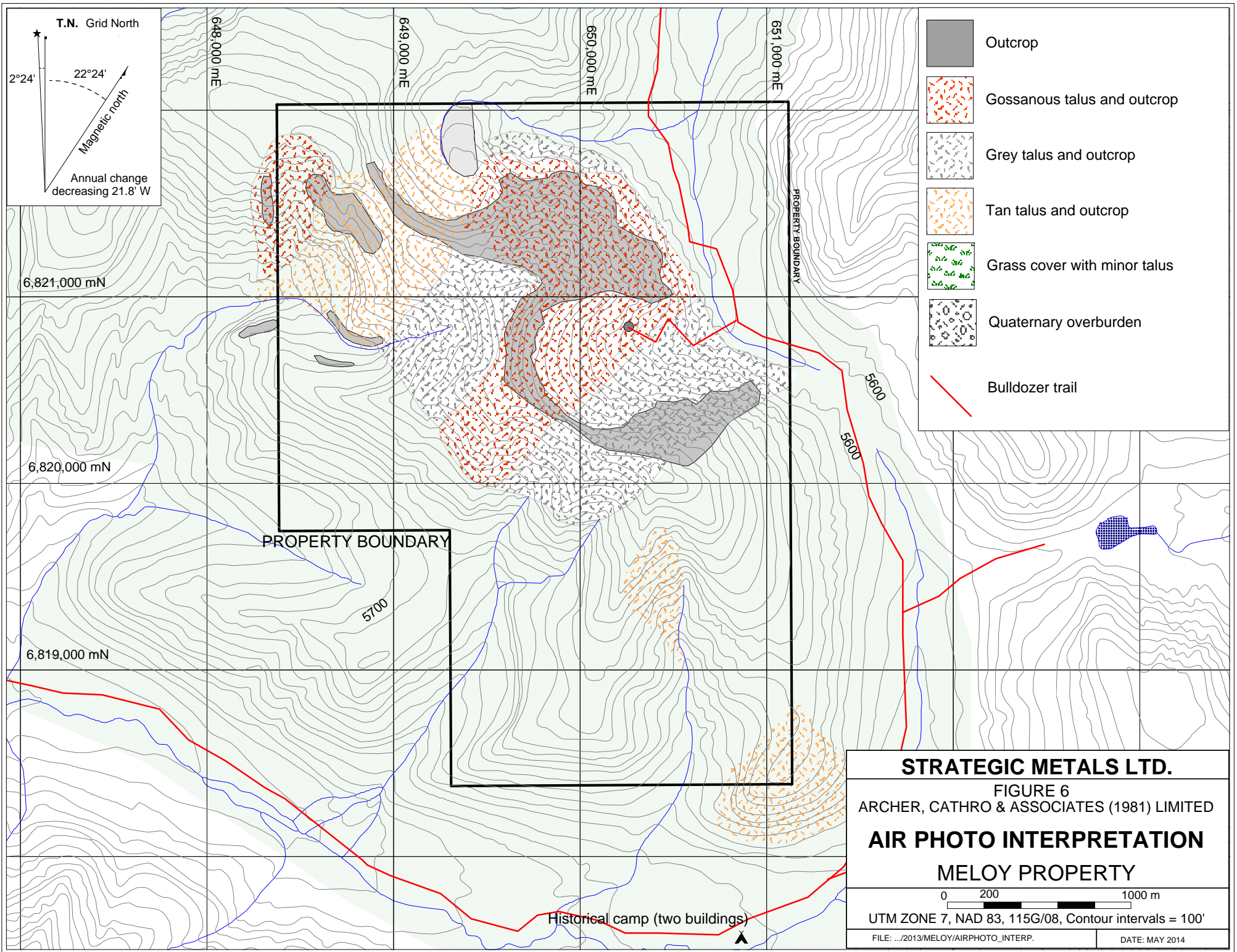
Exploration on the Meloy property has focussed on vein-hosted mineralization. No work has been done to evaluate porphyry-style fracturing, alteration or mineralization. Most mineralization identified to date on the property is hosted in quartz veins, veinlets and fractures that cut outcrops of apparently unaltered, but frequently gossanous, Ruby Range Suite along the main ridge. Some mineralization has also been found in quartz veins within an area of tan altered talus, which may represent a shear zone in the southern part of the property.

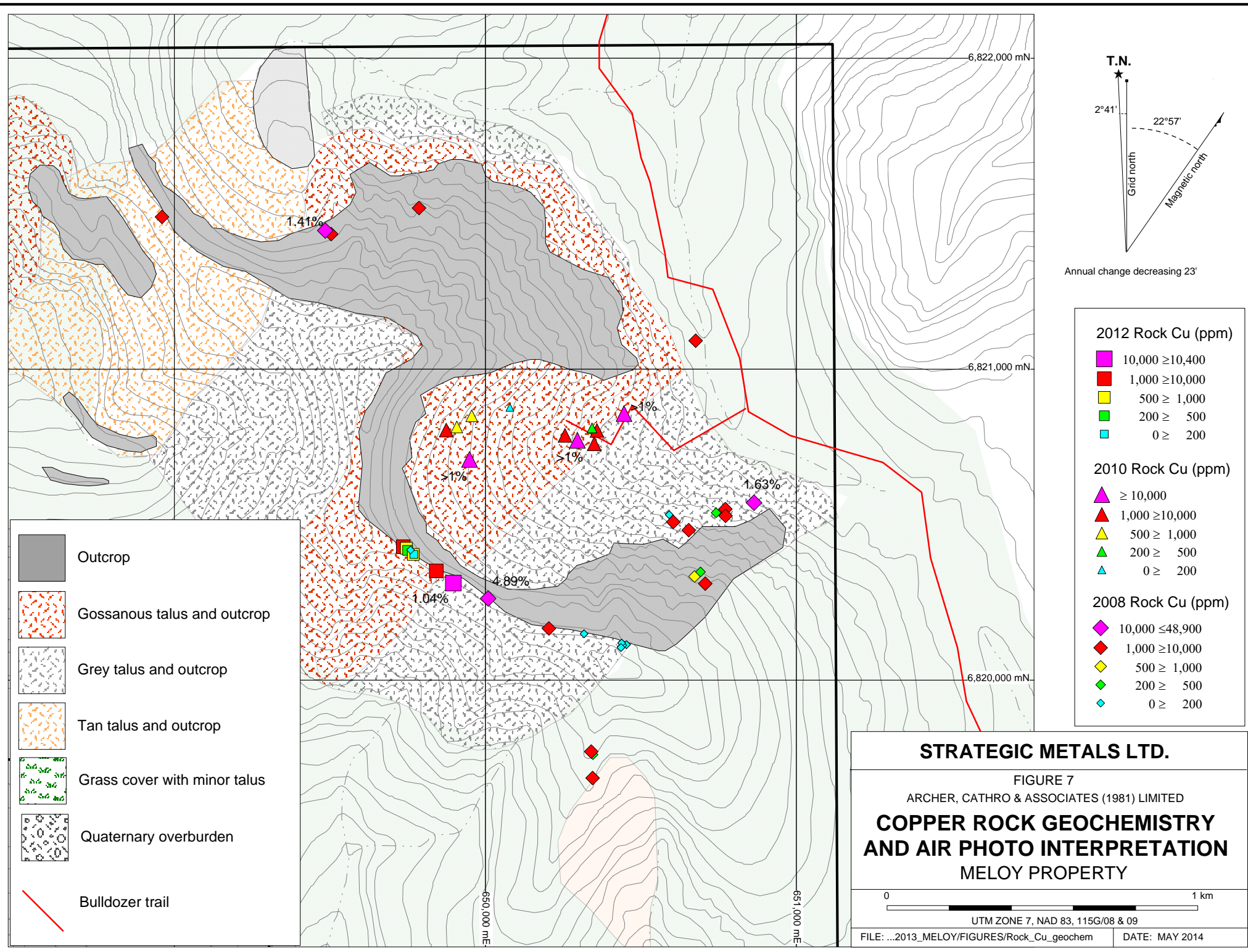
A variety of sulphide minerals have been identified to date on the property. Pyrite, arsenopyrite, chalcopyrite and bornite occur in narrow fractures and quartz veins. Molybdenum rosettes are found within narrow (< 2 cm) veinlets and as fracture coatings. Bladed wolframite crystals up to 1.5 cm in length are hosted in larger quartz veins up to six centimetres across. No tin minerals have been identified. Table II describes styles of mineralization in the veins.

**Table II – Styles of Mineralization within Quartz Veins**

<b>Mineral</b>	<b>Abundance</b>	<b>Size and form</b>
Pyrite	Approximately 2%	Disseminated, two millimetre cubic crystals
Chalcopyrite	Approximately 4%	Disseminated and blebby crystals
Arsenopyrite	Less than 1%	Fine stringers
Molybdenite	Approximately 3%	Up to one centimetre coarse rosettes
Bornite	Less than 1%	Bands up to two centimetres thick
Wolframite	Approximately 1%	Three millimetre to 1.5 centimetre bladed crystals.

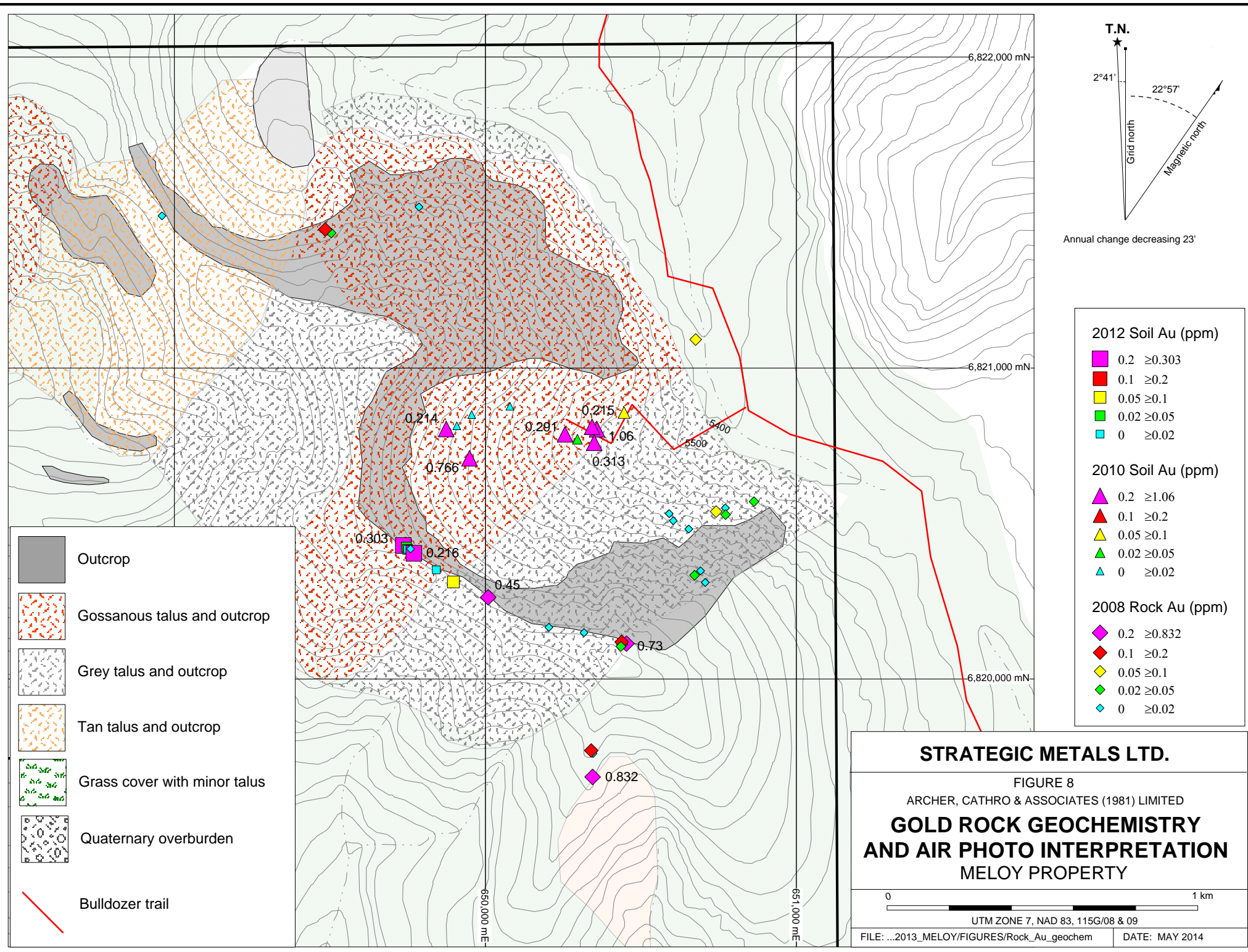
Secondary mineralization occurs within and adjacent to weathered quartz veins. Malachite and azurite coat talus surfaces and fracture planes on scarps alongside the recessive linears exposed on the main ridge. The copper carbonate minerals are also coat fracture surfaces and contacts of fine grained mafic dykes. Small limonitic pits after pyrite are common within quartz veins. Scorodite is found within the area of tan talus in the southern part of the property.





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FIGURE 7  
 ARCHER, CATHRO & ASSOCIATES (1981) LIMITED  
**COPPER ROCK GEOCHEMISTRY  
 AND AIR PHOTO INTERPRETATION**  
 MELOY PROPERTY



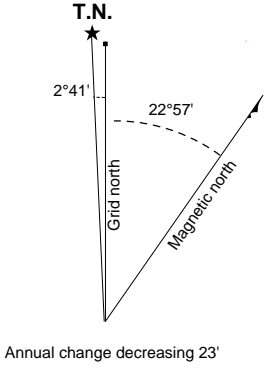
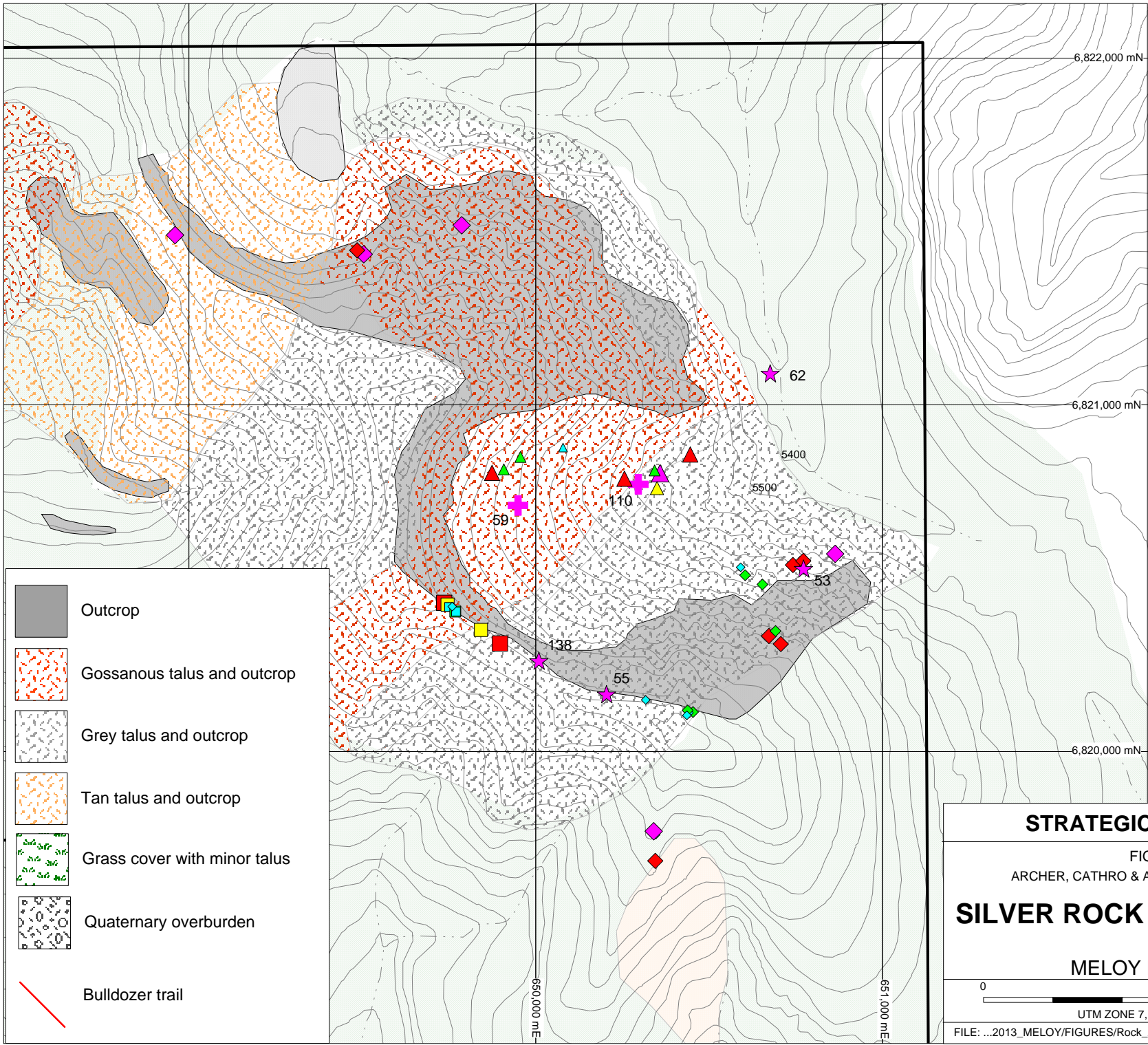
**STRATEGIC METALS LTD.**

FIGURE 8

ARCHER, CATHRO & ASSOCIATES (1981) LIMITED

**GOLD ROCK GEOCHEMISTRY  
AND AIR PHOTO INTERPRETATION  
MELOY PROPERTY**





- Outcrop
- Gossanous talus and outcrop
- Grey talus and outcrop
- Tan talus and outcrop
- Grass cover with minor talus
- Quaternary overburden
- Bulldozer trail

- 2012 Rock Ag (ppm)**
- 10 ≥ 18.7
  - 5 ≥ 10
  - 2 ≥ 5
  - 0 ≥ 2
- 2010 Rock Ag (ppm)**
- 50 ≥ 110
  - 20 ≥ 50
  - 10 ≥ 20
  - 5 ≥ 10
  - 2 ≥ 5
  - 0 ≥ 2
- 2008 Rock Ag (ppm)**
- 50 ≥ 138
  - 20 ≥ 50
  - 10 ≥ 20
  - 5 ≥ 10
  - 2 ≥ 5
  - 0 ≥ 2

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FIGURE 9  
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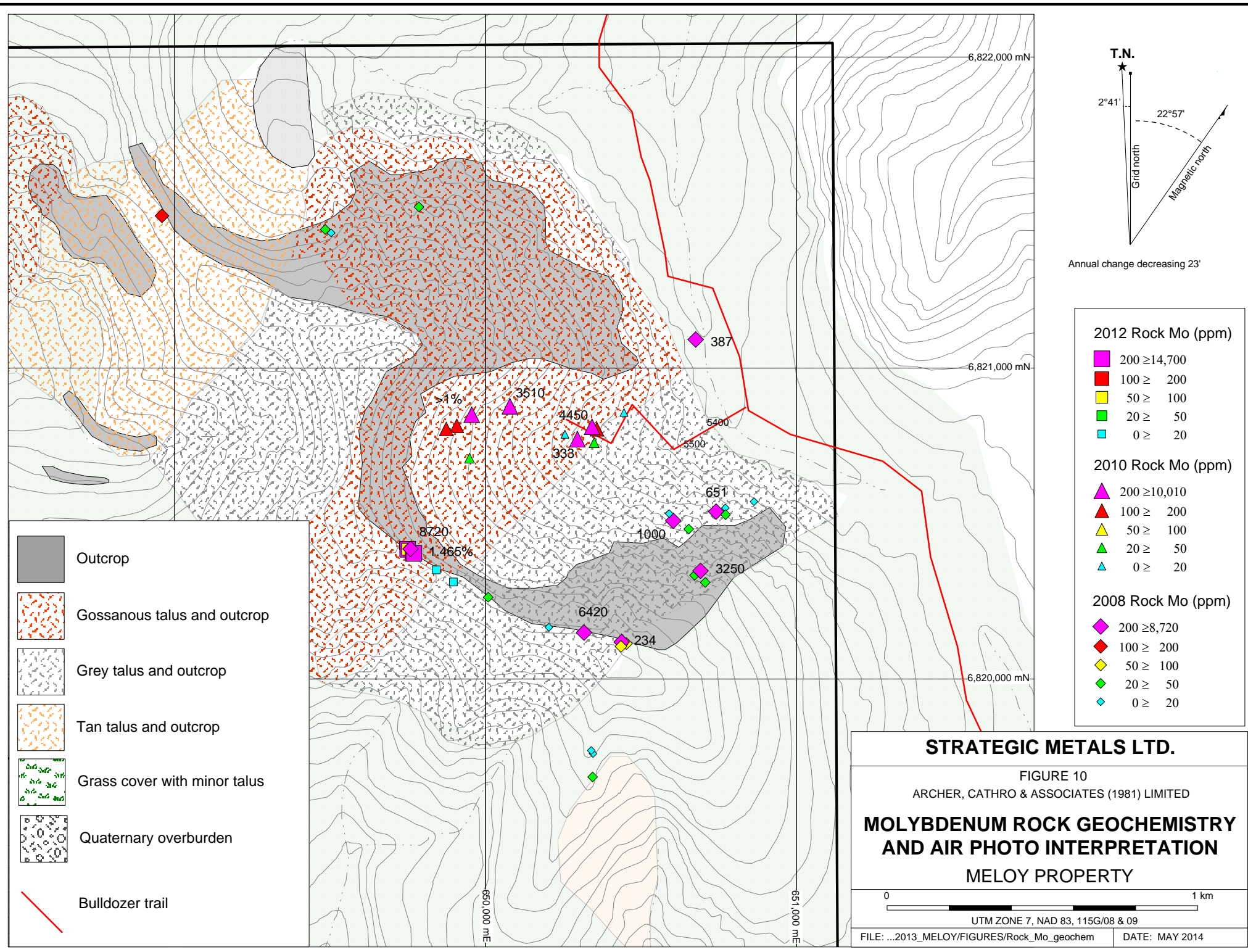
**SILVER ROCK GEOCHEMISTRY**

**MELOY PROPERTY**

0  1 km

UTM ZONE 7, NAD 83, 115G/08 & 09

FILE: ...2013\_MELOY/FIGURES/Rock\_Ag\_geochem      DATE: MAY 2014



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FIGURE 10

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**MOLYBDENUM ROCK GEOCHEMISTRY  
AND AIR PHOTO INTERPRETATION**

MELOY PROPERTY

The highest concentrations of quartz veins are observed within recessive linears along the crest of the main ridge. Elsewhere, quartz veins are typically less than four centimetres thick and are widely scattered throughout Ruby Range Suite. Overall abundance of quartz veins in most parts of the property has not yet been determined.

Most of the rock samples collected from the property to date were taken along the main ridge between the South and Central peaks or within the Main Cirque. Figures 7 to 10 illustrate copper, gold, silver and molybdenum rock geochemistry for all rock samples collected since 2008. The rock samples are overlain onto air photo interpretation done using photographs from the 2013 aerial survey. Sample preparation and analytical techniques can be found in Smith (2008, 2011 and 2012). Table III lists anomalous thresholds used to describe rock geochemical results.

**Table III – Anomalous Rock Thresholds**

<b>Element</b>	<b>Weak (ppm)</b>		<b>Moderate (ppm)</b>		<b>Strong (ppm)</b>	<b>Peak* (ppm)</b>
Copper	>200	≤500	>500	≤1000	>1000	48,900
Gold	>0.2	≤0.5	>0.5	≤1.0	>1.0	1.06
Silver	>5	≤10	>10	≤20	>20	138
Molybdenum	>50	≤100	>100	≤500	>500	14,700
Tungsten	>100	≤200	>200	≤500	>500	35,100
Tin	>100	≤200	>200	≤500	>500	1950
Zinc	>500	≤1000	>1000	≤2000	>2000	10010

\* Overlimit analyses for copper and zinc were performed in 2008 and 2012 only.

### **Main Ridge**

The geochemical signatures of samples taken along the main ridge are notably enriched in copper, silver, molybdenum and tungsten. These samples returned background to strongly anomalous values for copper (up to 4.89%), silver (up to 138 ppm), molybdenum (up to 1.465%), tungsten (up to 3.51%) and tin (up to 1950 ppm). Gold values were background to moderately anomalous (0.73 g/t), while zinc values were background to weakly anomalous. The highest values occur in areas underlain by strongly gossanous rocks or in close proximity to them.

### **Main Cirque**

Rock samples from the Main Cirque often contain high levels of copper, gold, silver, molybdenum, tungsten and zinc. Values for these elements ranged from background to strongly anomalous with peak values of 1.63% copper and greater than 1% for molybdenum and zinc. Peak values for other elements are 1.06 g/t gold, 110 ppm silver and 9770 ppm tungsten. Tin values were typically background to moderately anomalous with one strongly anomalous value (579 ppm). All of the samples collected in the Main Cirque are from areas of gossanous talus.

### **Other areas**

Four samples collected from the northern part of the property returned varied results including: moderately to strongly anomalous values for copper (up to 1.41%) and silver (up to 31 ppm);

background to strongly anomalous values for tin (up to 517 ppm); background to moderately anomalous values for gold, molybdenum and zinc; and, background values for tungsten.

Samples collected south of the main ridge returned some moderately anomalous values for copper, molybdenum, tin and zinc, and strongly anomalous values for gold (up to 0.832 g/t), silver (up to 26 ppm) and tungsten (up to 7320 ppm). The anomalous samples were collected immediately uphill from the area of tan talus that is thought to have sourced from a shear zone.

No samples of gossanous Ruby Range Suite with limonite coated fractures or disseminated mineralization have been collected for analysis.

### **SOIL GEOCHEMISTRY**

A reconnaissance-scale stream sediment survey conducted in the 1980s by the GSC showed that samples taken from streams draining Ruby Range Suite rocks in the Meloy area are often anomalous compared to regional backgrounds, using the 95<sup>th</sup> percentile to define anomalous (Friske *et al.*, 1986). Threshold values used to categorize anomalous soil samples from the Meloy property are set much higher than the regional thresholds, as shown in Table IV.

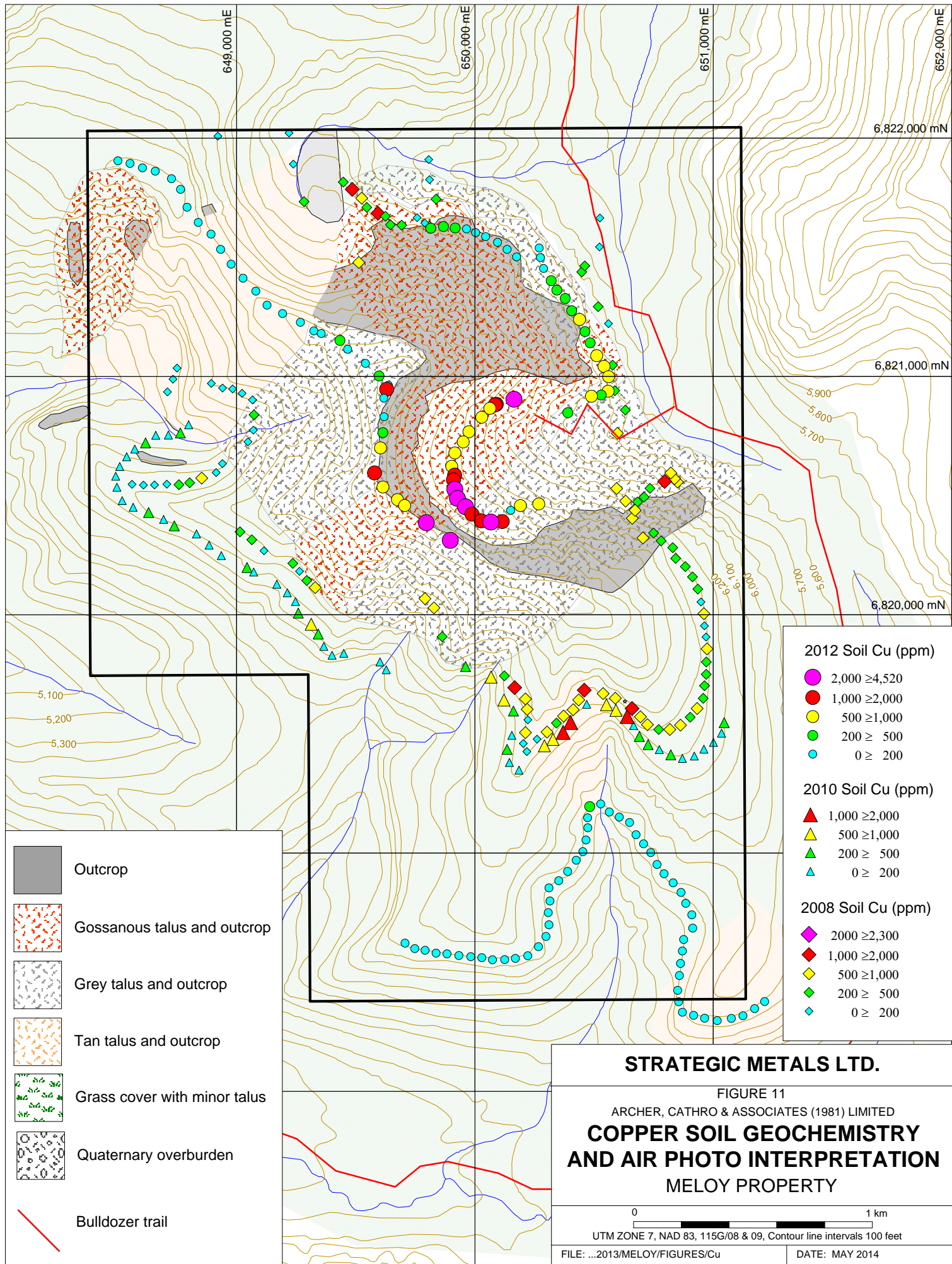
**Table IV-Anomalous Soil Thresholds**

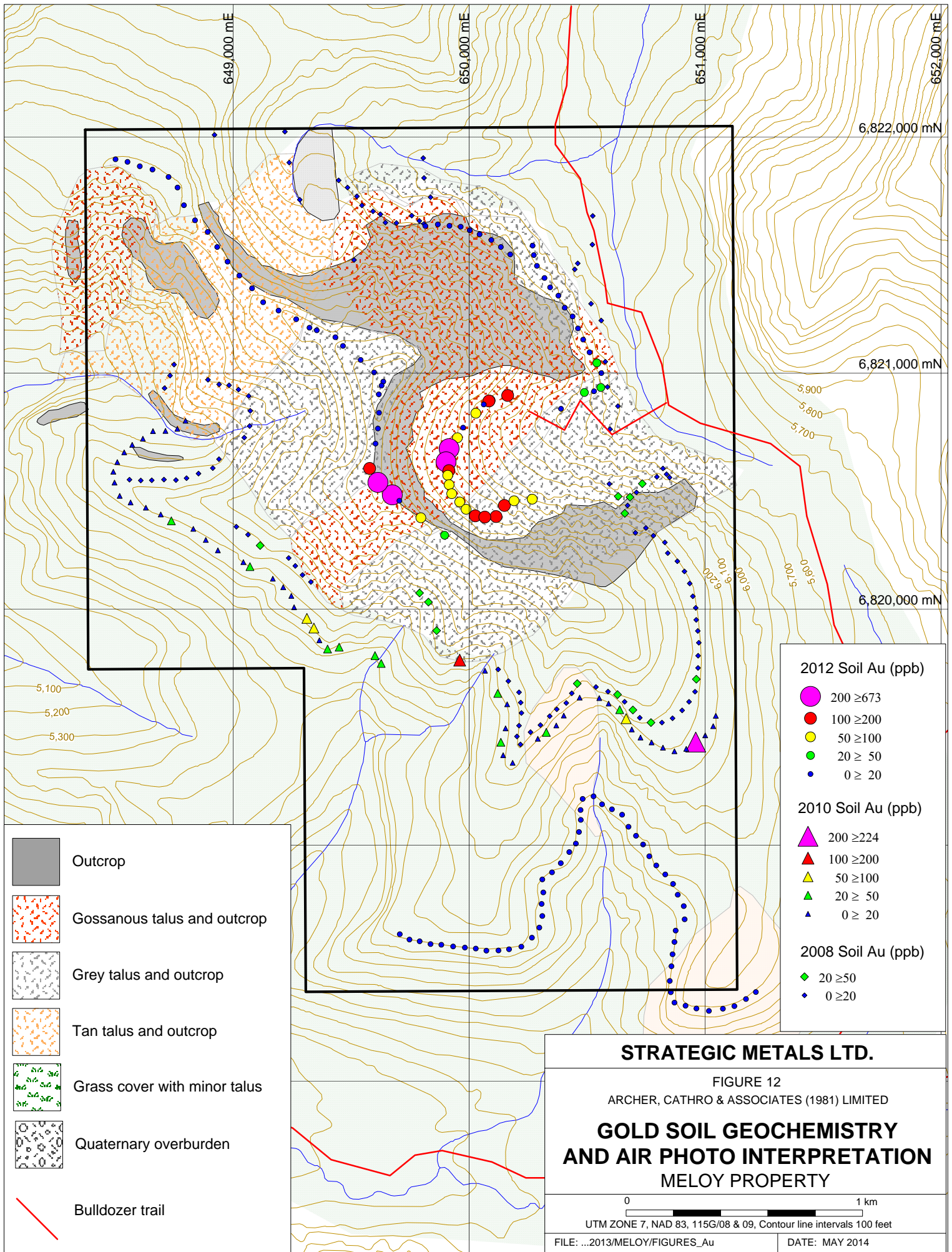
<b>Element</b>	<b>Weak (ppm)</b>	<b>Moderate (ppm)</b>	<b>Strong (ppm)</b>	<b>Peak (ppm)</b>	<b>Regional 95<sup>TH</sup> Percentile (ppm) *</b>
Copper	>100 ≤200	>200 ≤500	>500	4520	118
Gold (ppm)	>20 ≤50	>50 ≤100	>100	673	31
Silver	>2 ≤5	>5 ≤10	>10	18.6	0.4
Molybdenum	>5 ≤10	>10 ≤50	>50	595	3
Tungsten	>10 ≤20	>20 ≤50	>50	266	16
Tin	>10 ≤25	>25 ≤50	>50	217	16
Zinc	>200 ≤500	>500 ≤1000	>1000	2090	298








\* Stream sediment samples (Friske *et al.*, 1986)













Figures 11 to 14 illustrate thematic results for copper, gold, silver and molybdenum overlying the air photo interpretation data. Significantly elevated soil values span a 2500 m diameter area covering much of the property. The most anomalous results are clustered in a 1000 m diameter core with strong to very strong copper, gold, silver and molybdenum, and moderate tungsten, tin and zinc values. The core area is centred on the Main Cirque. Peak values from this sampling include: 4520 ppm copper, 673 ppb gold, 18.6 ppm silver, 595 ppm molybdenum, 266 ppm tungsten, 217 ppm tin and 2090 ppm zinc.

A second cluster of coincident strongly to very strongly anomalous values for copper, gold, tungsten, tin and zinc has been identified in the southern part of the property, about one kilometre southeast of the Main Cirque. Peak values from this area include: 2300 ppm copper, 224 ppm gold, 129 ppm tungsten, 127 ppm tin and 2150 ppm zinc.





-  Outcrop
-  Gossanous talus and outcrop
-  Grey talus and outcrop
-  Tan talus and outcrop
-  Grass cover with minor talus
-  Quaternary overburden
-  Bulldozer trail

- 2012 Soil Au (ppb)**
-  200 ≥ 673
  -  100 ≥ 200
  -  50 ≥ 100
  -  20 ≥ 50
  -  0 ≥ 20
- 2010 Soil Au (ppb)**
-  200 ≥ 224
  -  100 ≥ 200
  -  50 ≥ 100
  -  20 ≥ 50
  -  0 ≥ 20
- 2008 Soil Au (ppb)**
-  20 ≥ 50
  -  0 ≥ 20

**STRATEGIC METALS LTD.**

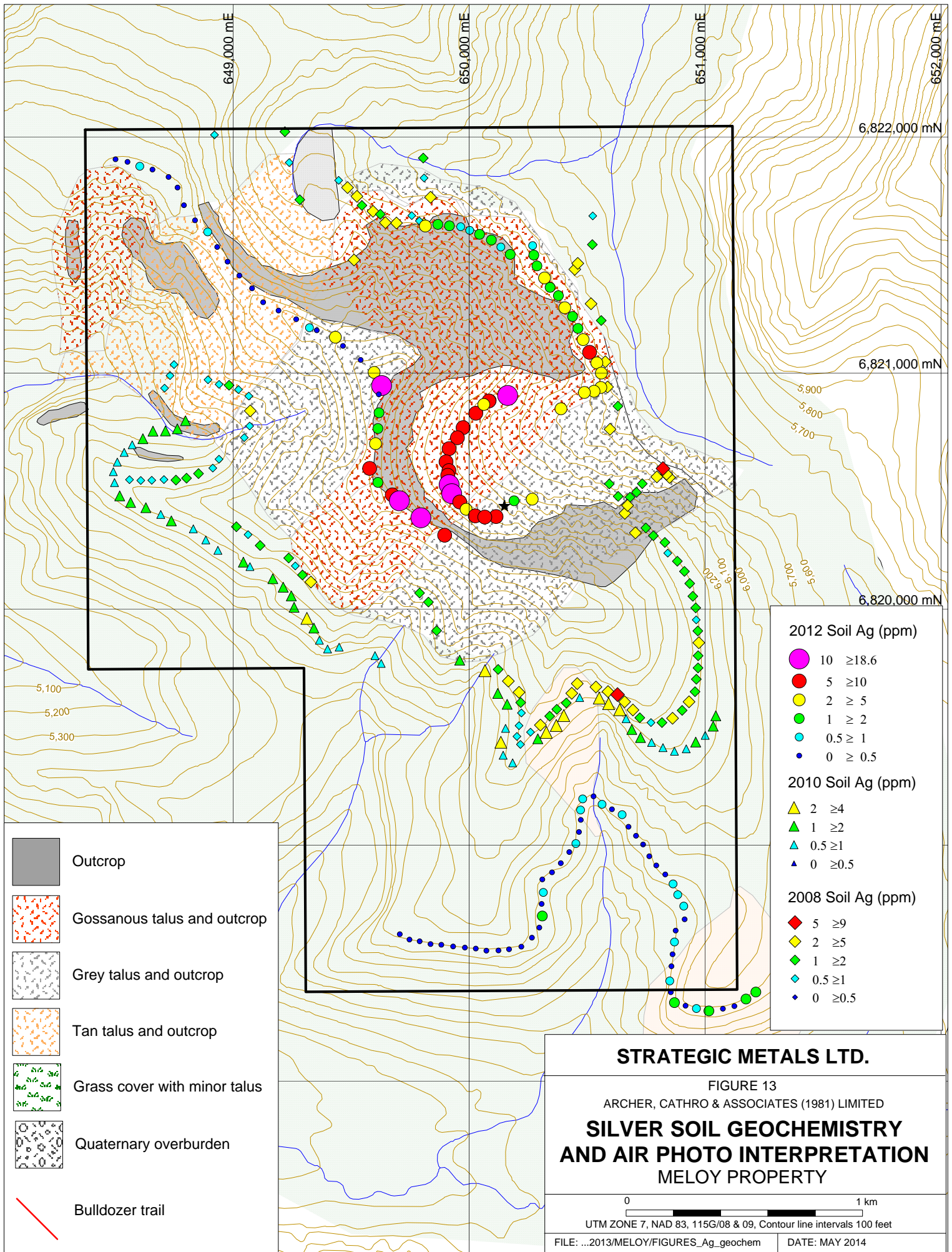
FIGURE 12  
ARCHER, CATHRO & ASSOCIATES (1981) LIMITED








**GOLD SOIL GEOCHEMISTRY  
AND AIR PHOTO INTERPRETATION  
MELOY PROPERTY**
















0 1 km

UTM ZONE 7, NAD 83, 115G/08 & 09, Contour line intervals 100 feet

FILE: ...2013/MELOY/FIGURES\_Au DATE: MAY 2014



-  Outcrop
-  Gossanous talus and outcrop
-  Grey talus and outcrop
-  Tan talus and outcrop
-  Grass cover with minor talus
-  Quaternary overburden
-  Bulldozer trail

- 2012 Soil Ag (ppm)**
-  10 ≥ 18.6
  -  5 ≥ 10
  -  2 ≥ 5
  -  1 ≥ 2
  -  0.5 ≥ 1
  -  0 ≥ 0.5
- 2010 Soil Ag (ppm)**
-  2 ≥ 4
  -  1 ≥ 2
  -  0.5 ≥ 1
  -  0 ≥ 0.5
- 2008 Soil Ag (ppm)**
-  5 ≥ 9
  -  2 ≥ 5
  -  1 ≥ 2
  -  0.5 ≥ 1
  -  0 ≥ 0.5

**STRATEGIC METALS LTD.**

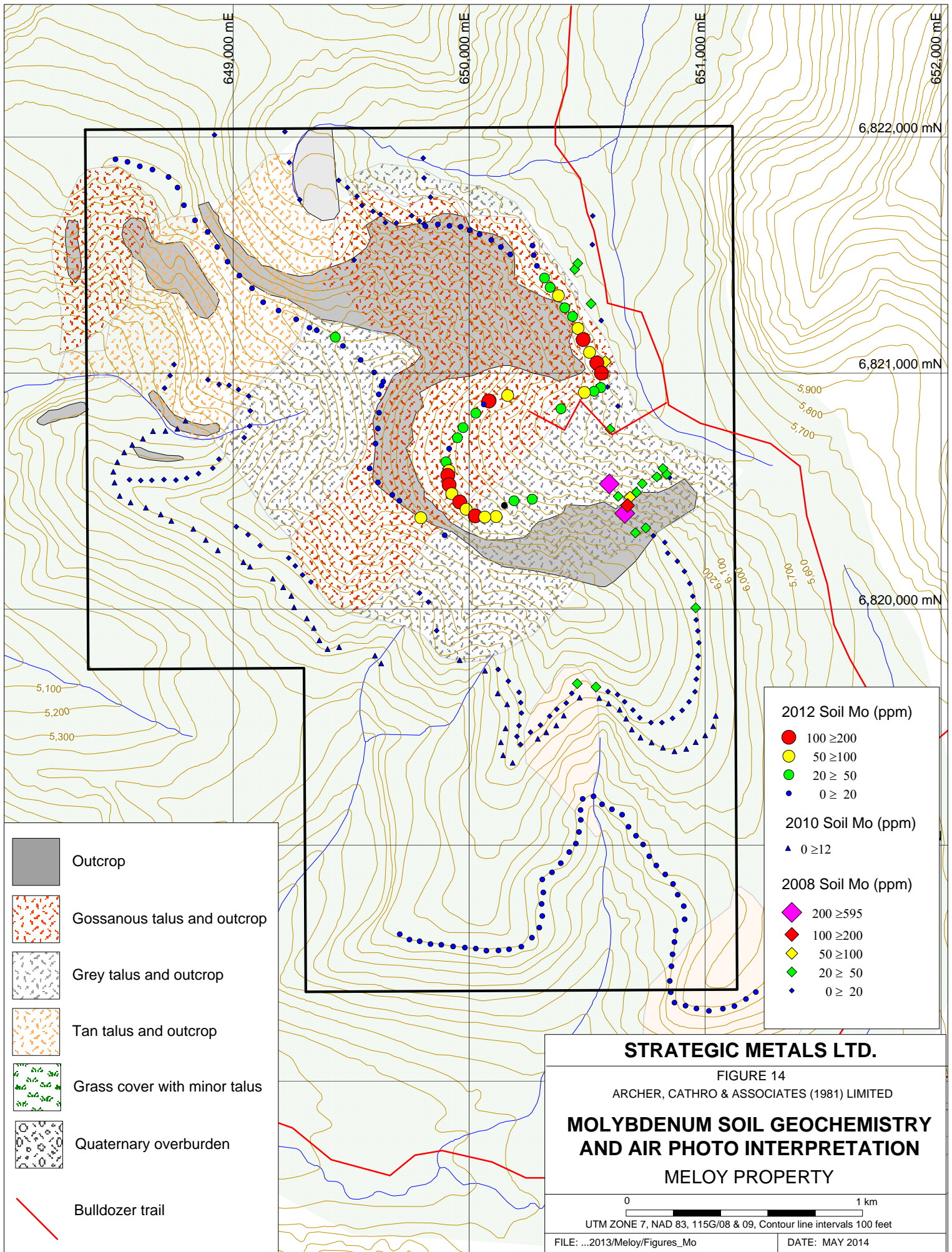
FIGURE 13  
 ARCHER, CATHRO & ASSOCIATES (1981) LIMITED

**SILVER SOIL GEOCHEMISTRY  
 AND AIR PHOTO INTERPRETATION  
 MELOY PROPERTY**








0 1 km

UTM ZONE 7, NAD 83, 115G/08 & 09, Contour line intervals 100 feet





FILE: ...2013/MELOY/FIGURES\_Ag\_geochem      DATE: MAY 2014




**Legend**

-  Outcrop
-  Gossanous talus and outcrop
-  Grey talus and outcrop
-  Tan talus and outcrop
-  Grass cover with minor talus
-  Quaternary overburden
-  Bulldozer trail






**2012 Soil Mo (ppm)**

-  100 ≥ 200
-  50 ≥ 100
-  20 ≥ 50
-  0 ≥ 20

**2010 Soil Mo (ppm)**

-  0 ≥ 12

**2008 Soil Mo (ppm)**

-  200 ≥ 595
-  100 ≥ 200
-  50 ≥ 100
-  20 ≥ 50
-  0 ≥ 20

**STRATEGIC METALS LTD.**

FIGURE 14  
 ARCHER, CATHRO & ASSOCIATES (1981) LIMITED

**MOLYBDENUM SOIL GEOCHEMISTRY  
 AND AIR PHOTO INTERPRETATION**

**MELOY PROPERTY**

0 1 km  
 UTM ZONE 7, NAD 83, 115G/08 & 09, Contour line intervals 100 feet

FILE: ...2013/Meloy/Figures\_Mo DATE: MAY 2014



Smaller clusters of anomalous results occur in the northern and western parts of the property. These clusters comprise samples with moderately elevated values for copper, zinc, tungsten and tin.

### **DISCUSSION AND CONCLUSIONS**

The Meloy property hosts a large, multi-element geochemical anomaly believed to be related to atypical porphyry-style mineralization. Strongly anomalous rock and soil values for copper, gold, silver, molybdenum, tungsten, tin and zinc have been obtained from samples taken across the property. Sulphide and secondary minerals are hosted within fractures and quartz veins cutting intermediate composition intrusive rocks of the Ruby Range Suite. Mineralization is closely tied to a series of north-northeast-trending, steeply dipping linears, which are apparent along the main ridge. These linears are mostly obscured by thick talus in other areas.

Future work on the Meloy property should consist of detailed geological mapping, where outcrops are accessible. Following this mapping, an extensive chip sampling program should be done to test porphyry- and vein-style mineralization in gossanous areas and across strong recessive linears and quartz veins. Specimens of altered rocks should be collected for thin section analysis. The mapping and sampling should be done from a series of fly camps to minimize travel time.

In addition, Underhill Geomatics should be contracted to complete ortho-rectification of the Meloy property aerial photographs. Once the ortho-rectification is complete, detailed (2-10 m) contour maps should be created for future exploration and compilation purposes.

Ultimately, diamond drilling will be required to properly evaluate the mineralization and geochemical anomalies on the property, but this work should not be done until the orientation of mineralized fractures and veins are tightly constrained and alteration is well understood.

Respectfully submitted,

ARCHER, CATHRO & ASSOCIATES (1981) LIMITED



Heather Burrell B.Sc., P.Geol.

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**APPENDIX I**  
**STATEMENT OF QUALIFICATIONS**

## STATEMENT OF QUALIFICATIONS

I, Heather Burrell (née Smith), geologist, with business addresses in Vancouver and Squamish, British Columbia and Whitehorse, Yukon Territory and residential address in Squamish, British Columbia, do hereby certify that:

1. I graduated from the University of British Columbia in 2006 with a B. Sc in Geological Sciences.
2. From 2004 to present, I have been actively engaged in mineral exploration in the Yukon Territory, British Columbia and Northwest Territories.
3. I am a Professional Geoscientist (P. Geo.) with the Association of Professional Engineers and Geoscientists of British Columbia (Member Number 34689).
4. I have personally supervised the fieldwork reported herein and have interpreted all data resulting from this work.



Heather Burrell, B.Sc., P.Geol.

**APPENDIX II**  
**STATEMENT OF EXPENDITURES**

Statement of Expenditures  
Meloy 1-42 Mineral Claims  
March 31, 2014

Labour

D. Eaton – geologist – 5 hours April to March at \$120/hr	\$ 630.00
H. Burrell – geologist – 16 hours April to March at \$96/hr	1,612.80
L. Smith – office – 10 hours April to March at \$62/hr	<u>651.00</u>
	2,893.80

Expenses (incl. management)

Underhill Geomatics Ltd.	<u>9,806.83</u>
	9,806.83

Total	<u>\$12,700.63</u>
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**APPENDIX III**  
**DIGITAL AERIAL PHOTOGRAPHS**

See Data Folder for Aerial Photographs