ARCHER, CATHRO & ASSOCIATES (1981) LIMITED
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ASSESSMENT REPORT

describing

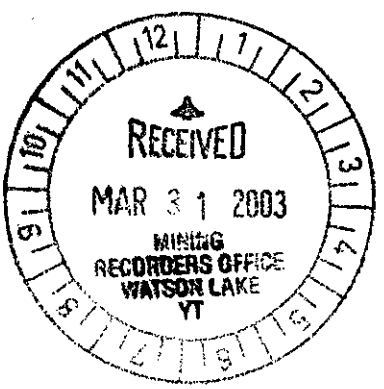
GEOLOGICAL MAPPING, PROSPECTING AND HAND TRENCHING

on the

TOUCHDOWN PROPERTY
Touchdown 1-8 YB60062-YB60069
Touchdown 71-72 YB91568-YB91569

NTS 105B/7
Latitude 60°23' N; Longitude 130°49' W

in the
Watson Lake Mining District
Yukon Territory



prepared by

Archer, Cathro & Associates (1981) Limited

094368

for

STRATEGIC METALS LTD.

W.A. Wengzynowski, P.Eng.
March 2003

This report has been examined by the Geological Evaluation Unit under Section 53 (4) Yukon Quartz Mining Act and is allowed as representation work in the amount of $ 5000.

M. B.

for Regional Manager, Exploration and Geological Services for Commissioner of Yukon Territory.

Costs associated with this report have been approved in the amount of $ 5000.00 for assessment credit under Certificate of Work No. QL 25631

Apr. 2/03

Mining Recorder
Watson Lake Mining District

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INTRODUCTION

The Touchdown property consists of ten mineral claims owned 100% by Strategic Metals Ltd. The claims protect areas of silver-lead-zinc vein, replacement and skarn mineralization plus strong soil geochemical anomalies.

The original Touchdown 1-30 claims were staked by Nordac Resources Ltd. (now Strategic Metals Ltd.) in July 1995 and the property was enlarged with the staking of additional claims in 1996 and 1998. Nordac conducted reconnaissance geological mapping and prospecting in 1995, systematic geological mapping, prospecting, and soil geochemistry in 1996 and additional mapping, prospecting, soil sampling and hand trenching in 1998. The property has subsequently been reduced to a core holding of ten claims that covers the area of best economic potential.

This report describes two days of fieldwork performed on July 29 and 31, 2002 from a camp on the nearby Strategic Metals' Blue Heaven property. The work focussed on the southeast part of the property and included geological mapping, prospecting and hand trenching. It was managed by Archer, Cathro & Associates (1981) Limited and supervised by the author. Appendix I contains the Author's Statement of Qualifications.

PROPERTY, LOCATION AND ACCESS

The Touchdown property is located in southeastern Yukon at latitude 60°23'N and longitude 130°49'W on NTS map sheet 105B/7 (Figure 1). It is comprised of 10 contiguous mineral claims (Figure 2) registered with the Watson Lake Mining Recorder in the name of Archer, Cathro & Associates (1981) Limited which holds them in trust for Strategic Metals Ltd. Claim registration data are listed below.

Claim Name	Grant Number	Expiry Date *
Touchdown 1-8	YB60062-YB60069	February 15, 2008
71-72	YB91568-YB91569	February 15, 2008

*Expiry dates include 2002 work filed for assessment credit but not yet accepted.

In 2002 the claims were accessed by walking 3.5 km west from a four-wheel drive trail that connects to a road system on the Silver Hart property, 3 km to the southeast. Access to Silver Hart is possible in summer by a 40 km long, four-wheel drive road that leaves the Alaska Highway at Kilometre 1160.

PREVIOUS WORK

Parts of the property were staked by various groups between 1947 and 1967 but no systematic exploration was done. Field work during this period was limited to prospecting and minor hand trenching with the focus on silver-lead-zinc vein mineralization.

In 1972 Wolf Lake Joint Venture staked the Lampoon claims and performed minor grid and contour soil sampling, plus geological mapping (Figure 3). Exploration was directed toward tungsten bearing skarns; however, samples were also routinely analyzed for other metals including

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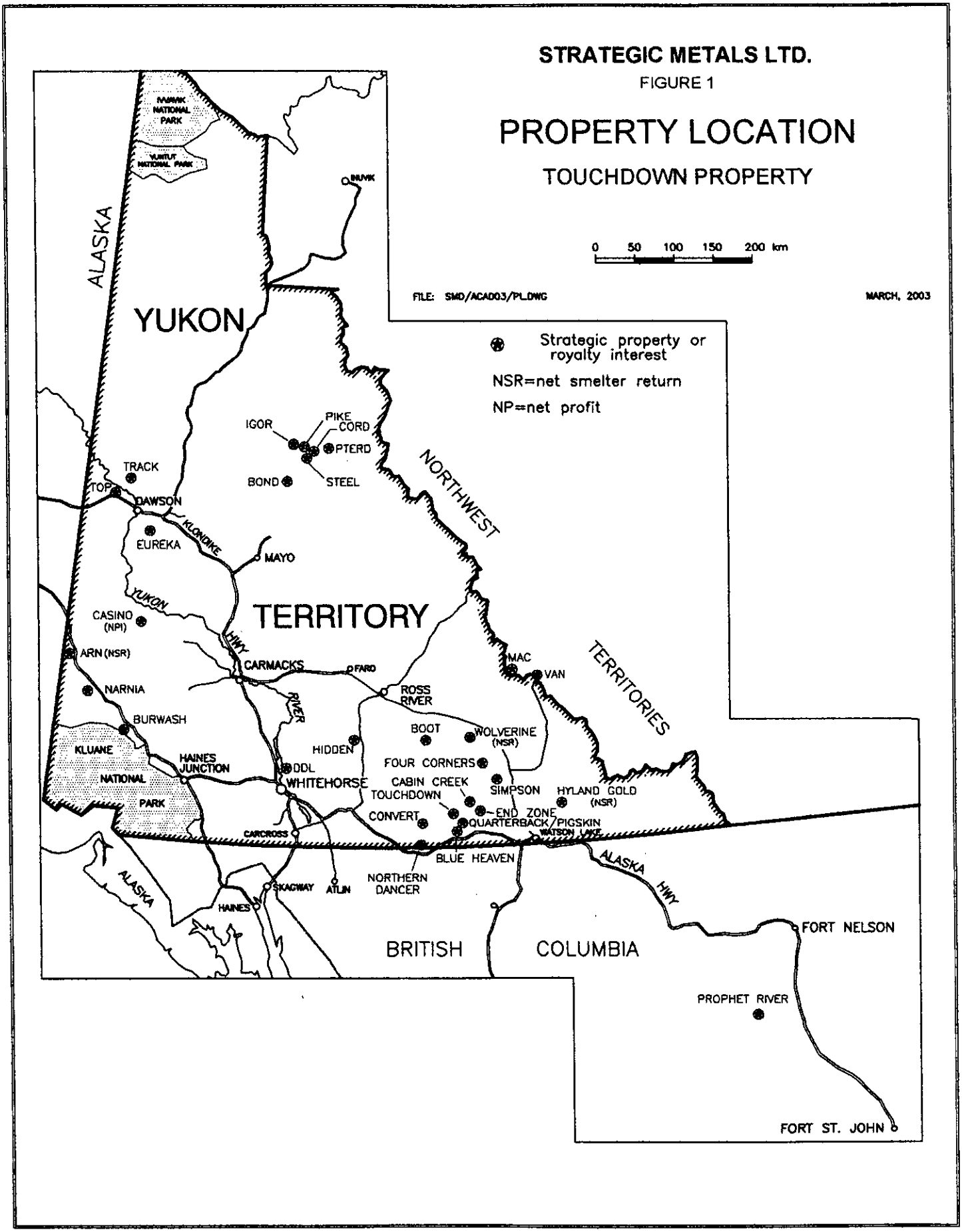
FIGURE 1

PROPERTY LOCATION

TOUCHDOWN PROPERTY



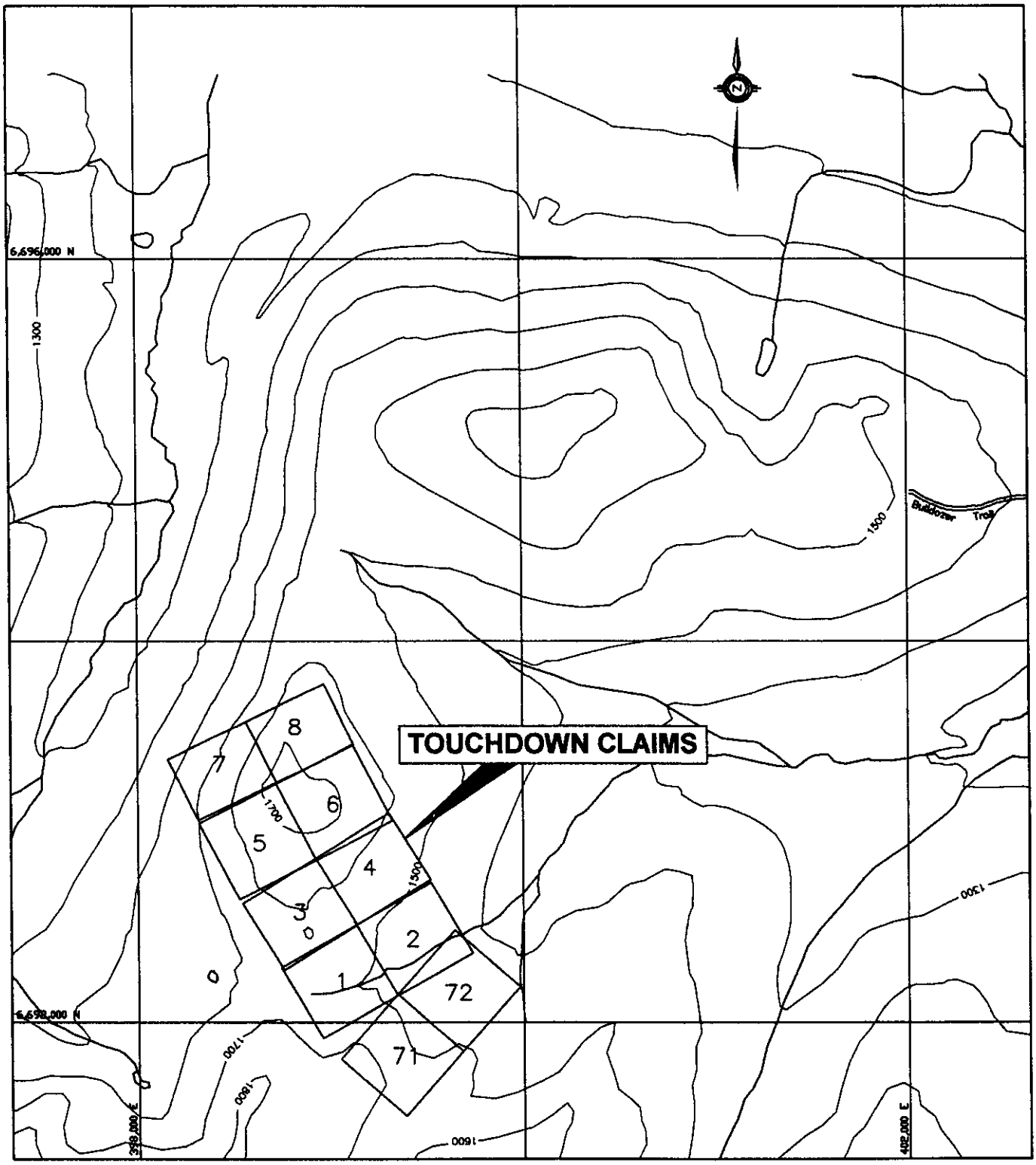


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FIGURE 2

ARCHER, CATHRO & ASSOCIATES (1981) LIMITED

CLAIM LOCATION

TOUCHDOWN PROPERTY

0 1000 2000 m

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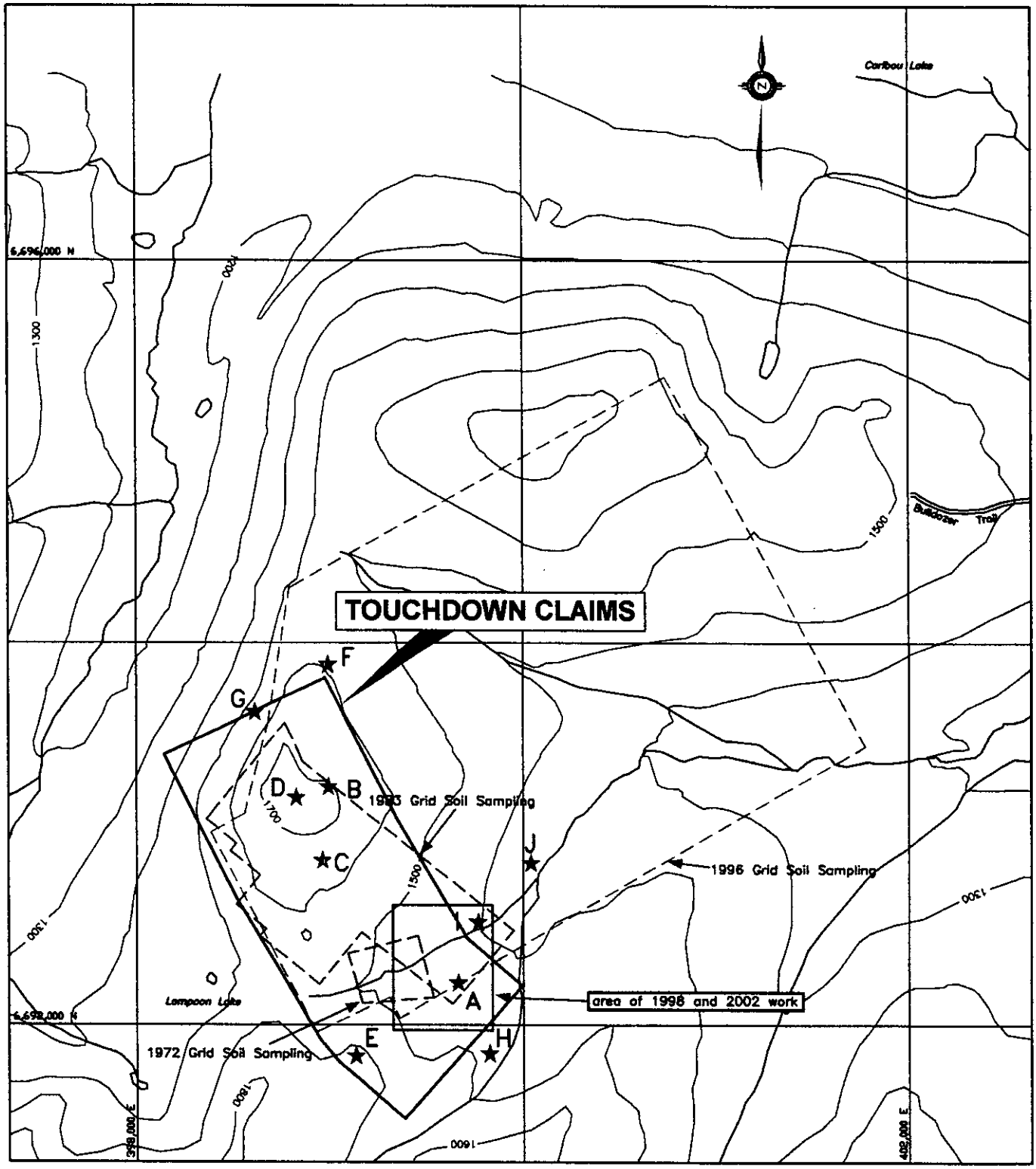

★ Mineral occurrence referenced in reports of previous exploration

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FIGURE 3

ARCHER, CATHRO & ASSOCIATES (1981) LIMITED

HISTORICAL COMPILATION

TOUCHDOWN PROPERTY

0 1000 2000 m

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lead, zinc, copper and silver. Geochemical response for lead and zinc was strong with values up to 3500 and 6900 ppm, respectively (Archer and Cathro, 1972). Silver values were sporadically anomalous while copper was generally subdued. Mineralized rock specimens reportedly returned up to 8.4% zinc, 1.3% lead, 37 g/t silver, 4.5% copper and 0.93% molybdenum. No follow up work was reported.

Parts of the area were restaked between 1974 and 1988. Most of the exploration during this period was conducted by B.A. Resources Limited, which optioned the claims to West-Mar Resources Ltd. in 1988. Work included additional soil sampling, trenching and VLF-EM surveys (Adamson, 1983 and 1984). A sample of massive sphalerite with minor galena taken from a quartz vein reportedly assayed 33.5% zinc, 0.62% lead and 655 g/t silver (Lehtinen, 1989).

Nordac conducted limited reconnaissance prospecting and geological mapping soon after staking the Touchdown 1-30 claims in summer 1995. This work relocated an old vein showing, specimens from which returned up to 44.60% zinc, 12.30% lead, 95 g/t silver, 0.05% copper and 1.48 g/t gold (Wengzynowski, 1996). Chalcopyrite rich float was also discovered and a specimen yielded 3.13% copper, 0.42% zinc and 127 g/t silver.

Work in 1996 consisted of grid soil sampling at 100 by 100 m spacing over a 2200 by 3200 m area and reconnaissance soil sampling along claim lines outside of the grid (Wengzynowski, 1997). A zone of moderate to strong zinc response was outlined along the southwestern edge of the grid. Scattered high values for silver, lead and copper occur within the zinc anomaly. Prospecting identified sphalerite-bearing skarn horizons and mineralized veins within the area of the strongest soil geochemical response. Skarn specimens returned up to 8.40% zinc, however chip samples yielded less then 2% zinc with low values for most other metals. Vein specimens returned high values for lead, zinc, silver and copper but exposures were erratically mineralized and appeared to be relatively discontinuous (Wengzynowski, 1996). Silver-lead-zinc mineralization previously identified along the southeastern edge of the property was not relocated during the 1996 program and this was the target of the 1998 and 2002 work.

GEOMORPHOLOGY

The claims lie 50 km southwest of the Tintina Trench and cover an upland region within the Cassiar Mountains. Creeks draining the property flow into the Meister River, which is part of the Liard River watershed.

Local elevations range from 1100 m near the Meister River to 1750 m on a ridge crest in the centre of the property. Topographic relief is moderate to steep, averaging 20°. Slopes in the western part of the claim block exceed 30°. The 2002 exploration area in the southeastern part of the property is on a gentle north facing slope that is characterized by small hummocks of glacially-scoured outcrop surrounded by gullies filled with glacial till.

About 70% of the property is above treeline (1350 m). Vegetation consists of dense growths of black spruce, balsam and alder to 1200 m giving way to isolated stands of stunted black spruce interspersed with buck brush and willow to 1350 m. Sparse buck brush, moss and lichen predominate above 1350 m.

REGIONAL GEOLOGY

The Touchdown property lies within a belt of metamorphic rocks belonging to the Yukon-Tanana Terrane and Cassiar Platform (Figure 4). This belt extends from northern B.C. across the Yukon into Alaska. The northeastern edge is defined by the Tintina Fault Zone, a series of subparallel transcurrent faults, which have produced about 450 km of dextral offset in Late Cretaceous and/or Early Tertiary times (Tempelman-Kluit et al, 1976). The southwestern side is bound by the Teslin Suture, an enigmatic zone composed of folds plus thrust and high angle faults.

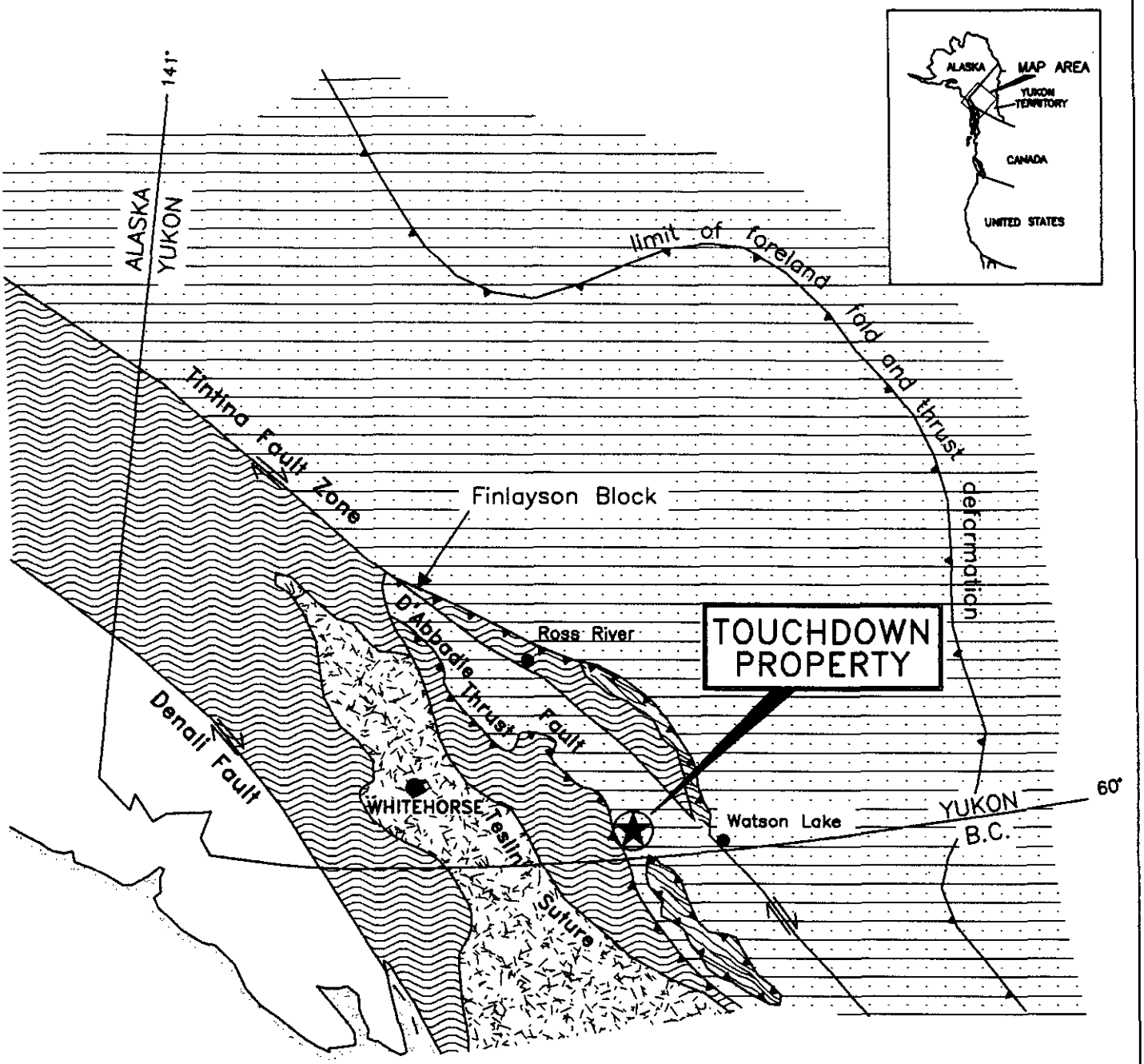
Yukon-Tanana Terrane and Cassiar Platform rocks are composed largely of Paleozoic stratigraphy, which has been intruded by Jurassic to Cretaceous plutons as illustrated on Figure 5. Both terranes are considered "suspect terranes" representing variably distal metamorphosed equivalents of North American Continental Margin sediments. Yukon-Tanana, the furthest outboard of the two terranes, is overthrust onto Cassiar Platform rocks by the D'Abbadie Thrust Fault. Some imbrication of the two terranes is also recognized and the structural position is further complicated by normal faulting. The regional metamorphic fabric within both terranes trends northwesterly and dips moderately toward the northeast.

Although rocks of the Yukon-Tanana Terrane and Cassiar Platform are generally similar and are approximately the same age, the two packages are distinguished by higher proportions of carbonate strata in the Cassiar Platform and metavolcanics in the Yukon-Tanana Terrane. The Touchdown claims are believed to lie within the Cassiar Platform.

Geology in the Rancheria area was mapped at 1:250,000 scale in 1960 by the Geological Survey of Canada [GSC] (Poole et al, 1960). More detailed mapping in the Rancheria District (105B/1,2,7 & 8) was done in 1985 and 1986 at 1:50,000 scale by the Department of Indian and Northern Affairs [DIAND] (Lowey and Lowey, 1986; Amuken and Lowey, 1987) in response to numerous base and precious metal discoveries in the area.

REGIONAL MINERALIZATION

The Cassiar Platform and intrusive rocks of the Rancheria area are host to numerous mineral occurrences including: silver-lead-zinc±copper±gold veins, tin-tungsten-zinc skarns and lead-zinc-silver replacement bodies. The most significant discoveries in this region to date are the Silvertip (Midway), Logan and Silver Hart Deposits. The Silvertip Deposit is classified as a manto replacement body hosted in Devonian-age strata. Diamond drilling and underground development have outlined a mineral resource containing 2,570,000 tonnes with an average grade of 325.0 g/t silver, 6.4% lead, 8.8% zinc and 0.63 g/t gold (GCNL #10, January 15, 1998). Vein and shear-hosted mineralization occurs within the Cretaceous Marker Lake Batholith at the Logan Deposit where reserves are estimated at 12.3 million tonnes grading 6.17% zinc and 26.0 g/t silver (DIAND, 1995). The Silver Hart Deposit consists of a series of high grade silver bearing veins reportedly containing 99,000 kg of silver (DIAND, 1995). The locations of these deposits are shown on Figure 5.



Thrust fault

Steep fault

Yukon–Tanana Terrane

Slide Mountain Terrane

Stikinia and other Terranes

Cassiar Platform and other North American Miogeoclinal Strata

Modified after Mortensen and Jilson (1985), Mortensen (1992) and Johnston and Mortensen (1994).

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FIGURE 4

ARCHER, CATHRO & ASSOCIATES (1981) LIMITED

TECTONIC SETTING

TOUCHDOWN PROPERTY

0 100 200 300 400

KILOMETRES

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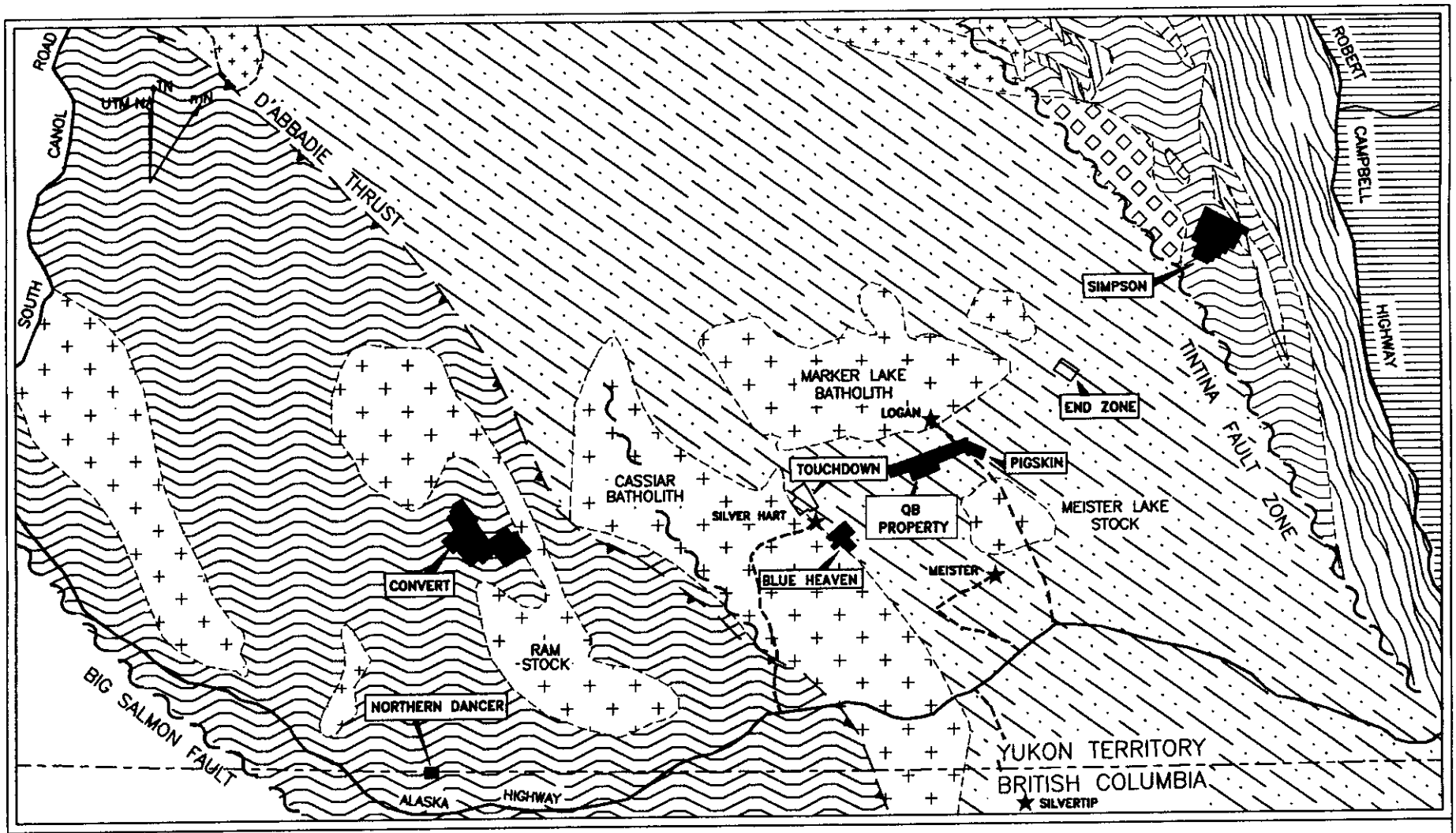
ROAD
CANOL
SOUTH
UTM N.
TIN
MIN
D'ABBADIE THRUST
ROBERT CAMPBELL HIGHWAY
SIMPSON
TINTINA FAULT ZONE
MARKER LAKE BATHOLITH
LOGAN
END ZONE
TOUCHDOWN
PIGSKIN
CASSIAR BATHOLITH
SILVER HART
QB PROPERTY
MEISTER LAKE STOCK
MEISTER
BLUE HEAVEN
CONVERT
RAM STOCK
NORTHERN DANCER
BIG SALMON FAULT
YUKON TERRITORY
BRITISH COLUMBIA
SILVERTIP
ALASKA HIGHWAY
North American Miogeocline
Pre-Triassic sedimentary and volcanic rocks
Slide Mountain Terrane
Chert, ultramafic, metavolcanic, and carbonate rocks
Yukon-Tanana Terrane
Paleozoic metasedimentary and metavolcanic rocks
Cassiar Platform
Paleozoic metasedimentary and metavolcanic rocks
Intrusive Suites
Paleozoic metaplutonic rocks
Mesozoic plutonic rocks
Property owned by Strategic Metals Ltd.
Deposit owned by others
Access road to property
STRATEGIC METALS LTD.
FIGURE 5
ARCHER, CATHRO & ASSOCIATES (1981) LIMITED
REGIONAL GEOLOGY
TOUCHDOWN PROPERTY
0 10 20 30 40 50 Km
MARCH, 2003

PROPERTY GEOLOGY

Bedrock exposure on the property is restricted to ridge tops, creek cuts and small windows through the glacial till. Foliation is generally well developed and trends northwesterly with moderate to gentle dips toward the northeast. All units are conformable except intrusive rocks, which exhibit irregular contacts. Isoclinal folds are observed in outcrops but large scale features have not been mapped. Foliation parallels compositional layering and relic bedding.

Geology for the entire property is shown in Figure 6 (after Wengzynowski, 1997) while an area that was mapped in detail during 2002 is shown on Figure 7. Four rock types are recognized on the property. Quartz-muscovite-biotite±garnet schist is the most common unit and it underlies most of the northeast side of the property. Granodiorite occurs as a string of outcrops that represent a batholith size body along the western edge of the property and as a small outlier pluton in the northeast corner of the claim block. Between the schist and the main granodiorite body is a band of calc-silicate rocks, which has been subdivided into skarn and weakly altered limestone units. The four main lithologies are described in the following paragraphs.

Quartz-muscovite-biotite±garnet schist is tan to grey, well foliated and slabby weathering. Biotite and muscovite alternate as the dominant mica present. Most of this unit is unmineralized; however, pyrrhotite and pyrite occur locally as fine grained disseminations comprising between 5 and 20% of the rock. Garnetiferous varieties of this unit are found northeast of the property near the Meister River. The garnets are brown and range from 1 to 4 mm in diameter.

Limestone is grey, buff weathering and banded. Trace amounts of pyrite and pyrrhotite occur as thin laminae (2 to 4 mm wide). Locally this unit exhibits weak calc-silicate alteration.

Skarn is moderately banded, resistant weathering and varies in colour from green to white. This unit is up to 30 m thick and consists of alternating diopside and diopside-garnet rich bands. Some narrow bands contain 60 to 80% coarse almandine garnet (≤20 mm in diameter) in a white marble matrix. Intense jasperoid alteration occurs in the southeastern part of the property (2002 detail map area) within a skarnified horizon.

Granodiorite is grey, non-foliated and blocky weathering. Composition is relatively consistent with approximately 60% feldspar, 20% quartz, 15% biotite and 5% muscovite. Varieties of this unit include discontinuous quartz-feldspar porphyry dykes and sills.

SURFACE MINERALIZATION AND HAND TRENCHING

Prospecting from 1947 to 2002 has identified four types of mineralization and ten showings on the Touchdown property and in the immediate vicinity. The first type can be found at Showings A, B and C where silver-lead-zinc mineralization occurs as replacements within jasperoid altered limestone. The second type occurs at Showings D, E, F, G and H and consists of zinc±copper±tungsten±molybdenum in diopside-garnet skarns. The third type is restricted to Showing I where zinc, lead and silver are found in quartz veins cutting intrusive rocks. The final type consists of weakly mineralized pyrite-quartz veins at Showing J and several other unnamed occurrences in the area.

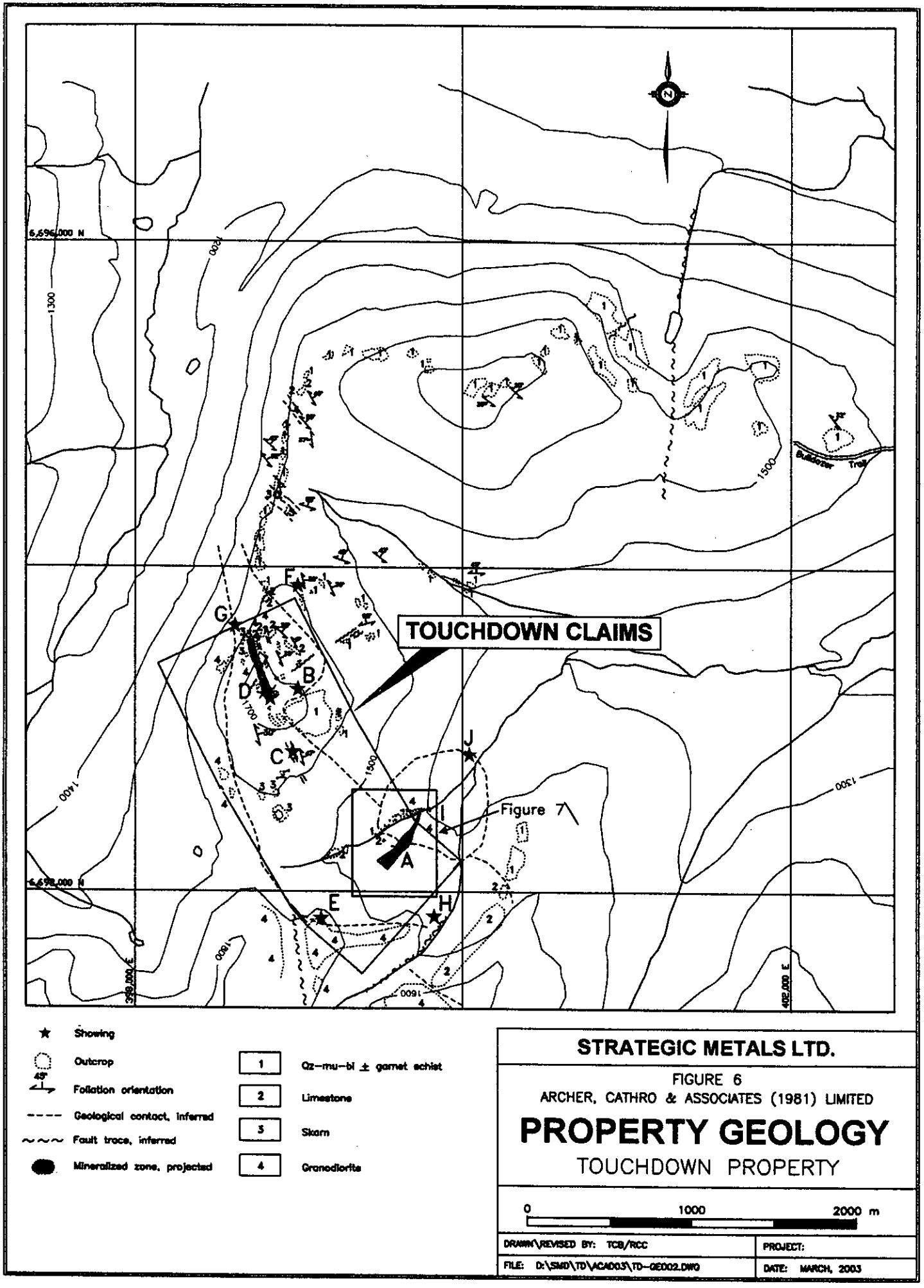
6,696,000 N
6,698,000 N
398,000 E
402,000 E
1300
1400
1500
1600
1700
TOUCHDOWN CLAIMS
Figure 7
A
B
C
D
E
F
G
H
I
J
Blackwater Trail
Showing
Outcrop
45°
Foliation orientation
Geological contact, inferred
Fault trace, inferred
Mineralized zone, projected
1 Qz–mu–bi ± garnet schist
2 Limestone
3 Skarn
4 Granodiorite
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FIGURE 6
ARCHER, CATHRO & ASSOCIATES (1981) LIMITED
PROPERTY GEOLOGY
TOUCHDOWN PROPERTY
0 1000 2000 m
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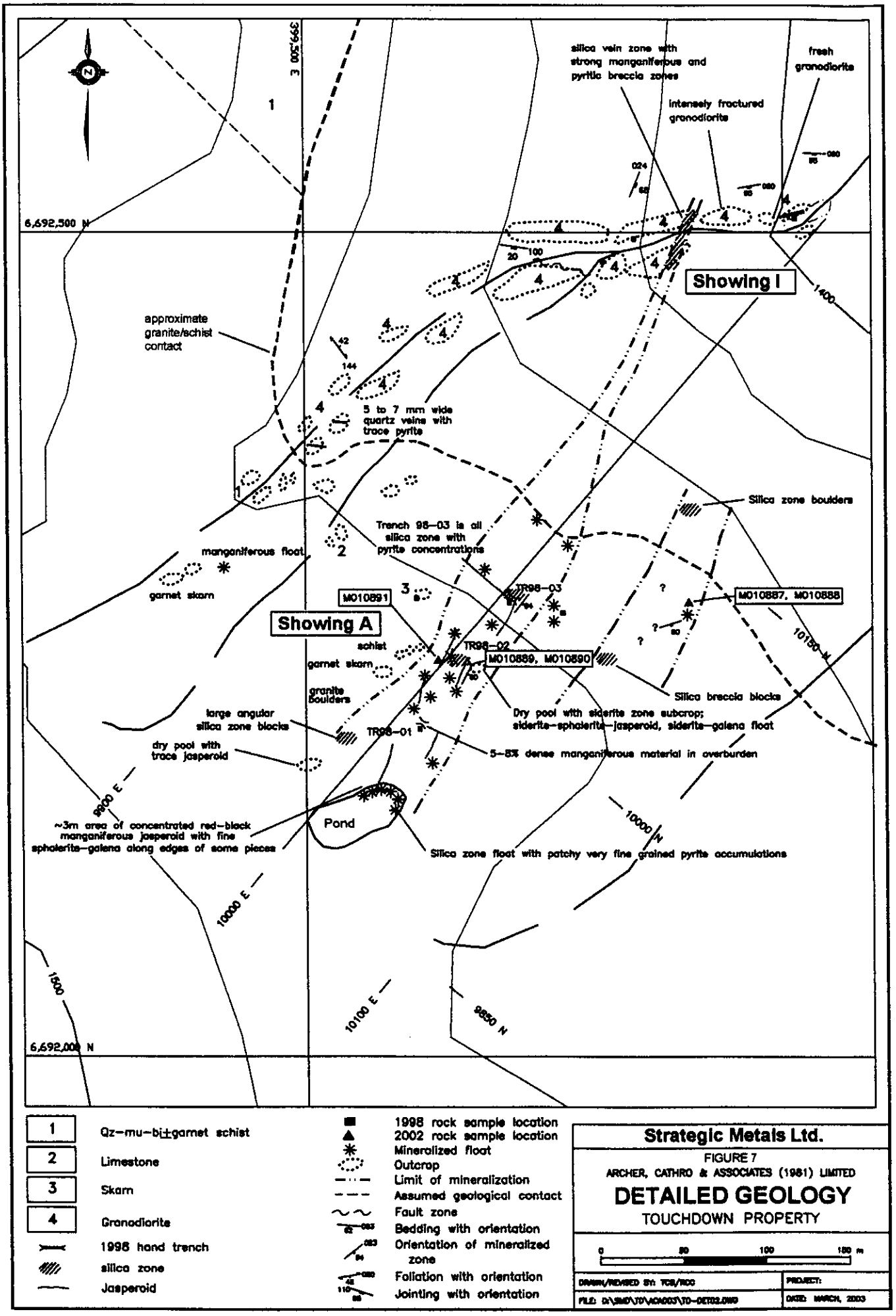
DATE: MARCH, 2003


3 500 E
6,692,500 N
6,692,000 N
silica vein zone with strong manganiferous and pyritic breccia zones
intensely fractured granodiorite
fresh granodiorite
Showing I
Showing A
approximate granite/schist contact
5 to 7 mm wide quartz veins with trace pyrite
Silica zone boulders
Trench 98-03 is all silica zone with pyrite concentrations
manganiferous float
garnet skarn
M010891
TR98-03
M010887, M010888
schist
TR98-02
M010889, M010890
garnet skarn
granite boulders
Silica breccia blocks
large angular silica zone blocks
TR98-01
Dry pool with siderite zone subcrop; siderite-sphalerite-jasperoid, siderite-galena float
dry pool with trace jasperoid
5-8% dense manganiferous material in overburden
9900 E
Pond
~3m area of concentrated red-black manganiferous jasperoid with fine sphalerite-galena along edges of some pieces
Silica zone float with patchy very fine grained pyrite accumulations
10000 N
10000 E
10100 E
9850 N
10150 N
1400
1500
1 Qz-mu-bi±garnet schist
2 Limestone
3 Skarn
4 Granodiorite
1998 hand trench
silica zone
Jasperoid
1998 rock sample location
2002 rock sample location
Mineralized float
Outcrop
Limit of mineralization
Assumed geological contact
Fault zone
Bedding with orientation
Orientation of mineralized zone
Foliation with orientation
Jointing with orientation
Strategic Metals Ltd.
FIGURE 7
ARCHER, CATHRO & ASSOCIATES (1981) LIMITED
DETAILED GEOLOGY
TOUCHDOWN PROPERTY
0 50 100 150 m
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FILE: D:\SMD\TD\ACA003\TD-DET02.DWG
DATE: MARCH, 2003

In 2002 Showing A received detailed geological mapping, prospecting and deepening of two 1998 hand trenches while Showing I was prospected. The other showings were not re-examined and descriptions of them are given in assessment reports for previous exploration programs. Descriptions of specific rock samples collected in 2002 are listed in Appendix II while their locations are shown on Figures 7, 8 and 9.

Eleven float samples and six chip samples were collected in 2002. All samples were sent to ALS Chemex in North Vancouver where they were crushed and pulverized to more than 90%, 100 micron (-150 mesh) using a chrome-steel ring mill. Weakly mineralized samples were analyzed for 34 elements using the ICP technique and for gold by Atomic Absorption while better mineralized samples were assayed for zinc, lead, silver, arsenic and copper. Certificates of Analysis are included in Appendix III.

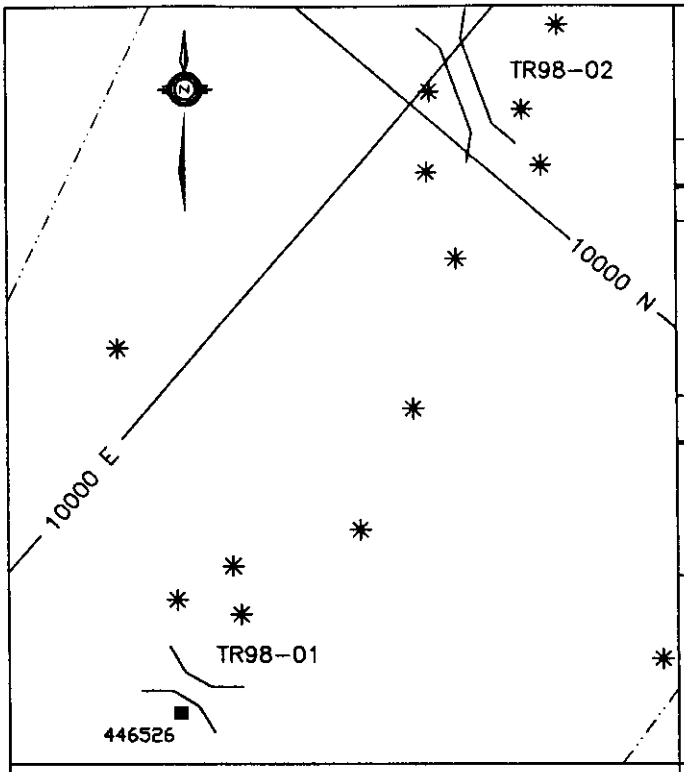
Showing A consists of a 200 by 200 m area with moderate to strong multi-element soil geochemical response and abundant mineralized float that was first discovered in the 1940's. Detailed geological mapping in 2002 demonstrated that the Showing A area is underlain by moderately to steeply dipping metasedimentary rocks that include quartz sericite schist, limy skarnified muscovite schist and massive garnetite. The metasedimentary rocks are intruded to the north by a granodiorite stock that is probably an apophysis of a batholith size body located along the southwest edge of the property. A well developed structural zone, some 25 to 50 m wide, was traced from granodiorite exposures in a creek cut in the Showing I area (Figure 7), through metasedimentary rocks in the Showing A area to a pond located at its southwest end, a total distance of about 450 m. The limits of the structural zone correspond with lead, zinc and silver geochemical anomalies and jasperoid altered limestone exposures identified by previous exploration in the area.

In the granitic rocks the structural zone is marked by intense northeast trending fractures, abundant manganese staining and moderate silicification with pyritization. Silicification occurs as a 5 m wide vein zone in the creek that progressively widens to the southwest toward the contact with metamorphic country rocks.

In the metasedimentary rocks the structural zone is characterized by intense silicification with moderate patchy pyritization. Metasedimentary rocks within the zone are also moderately to strongly skarnified to a garnet-diopside rich assemblage. Narrow lenses of dense manganiferous jasperoid breccia also occur within the structural zone. These areas were tested by hand trenches initially excavated in 1998 and deepened to bedrock in 2002.

Previous workers had reported bedrock hosted quartz veins in the Showing A area but prospecting and hand trenching in 1998 showed that the mineralization is actually jasperoid altered limestone. Textures range from complete replacement of the original rock to partial replacement where the original texture of the limestone is preserved within the jasperoid, in part because of very fine grained carbonate grains that are encapsulated within the replacement quartz.

In hand specimens the jasperoid ranges from light to medium grey and is usually massive with occasional vugs and breccia fragments of wallrock. Mineralization occurs in 0.5 to 2 mm blebs comprised of galena, sphalerite and pyrite with lesser pyrrhotite, chalcopyrite and fine grained



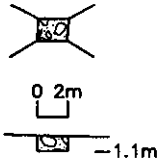
TR98-01 Sample Data (1998)

top (m)	bottom (m)	Sample Interval(m)	Sample No.	Ag (ppm)	Pb (ppm)	Zn (ppm)	Cu (ppm)
0.00	0.80	0.80	451705	3.4	52	6010	52

TR98-02 Sample Data (2002)

Start (m)	End (m)	Sample Interval(m)	Sample No.	Ag (g/t)	Pb (ppm)	Zn (ppm)	Cu (ppm)
0.8	2.2	1.4	M010878	<0.2	70	838	11
2.8	3.5	0.7	M010877	4	360	9390	44
3.6	4.0	0.4	M010876	8	323	1.18%	85
4.0	5.1	1.1	M010875	7	317	5080	41

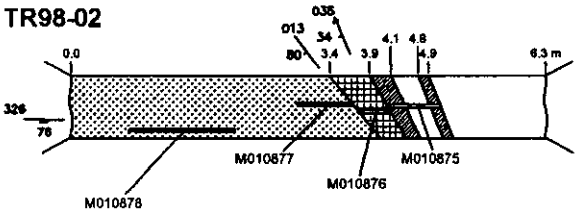
TR98-01



0.0–0.8m Glacial till consisting of brown to black clay matrix with large well rounded boulders of granodiorite and less common <10 cm in diameter boulders. Very common mineralized float material in the glacial till. This material has strong to intense limonite and manganese coating and minor fine grained pyrite.

0.8–1.1m Light to medium grey well sorted sand.

TR98-02



0.0 - 3.4 m altered, orange weathering diopside skarn with irregular jasperoid patches; some disseminated pyrite and minor sphalerite
3.4 - 3.9 m manganiferous siderite and diopside skarn
3.9 - 4.1 m dark grey jasperoid(?)
4.1 - 4.8 m schist
4.8 - 4.9 m silica altered schist

M010875 grey white silica altered schist with minor pyrite
M010876 manganiferous siderite and diopside skarn
M010877 weakly manganese stained diopside skarn
M010878 weakly pyritic manganese stained diopside skarn with wispy jasperoid patches

This trench was dug at the site of Trench 98-02 and was extended in both directions as well as deepened in 2002.

■ Rock sample location

✳ Mineralized float

36/086 Compositional layering with orientation

42←060 Lineation with orientation

110/88 Jointing with orientation

Overburden

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FIGURE 8

ARCHER, CATHRO & ASSOCIATES (1981) LIMITED

TRENCH TR98-01 & -02

TOUCHDOWN PROPERTY

0 10 20 30 40 m

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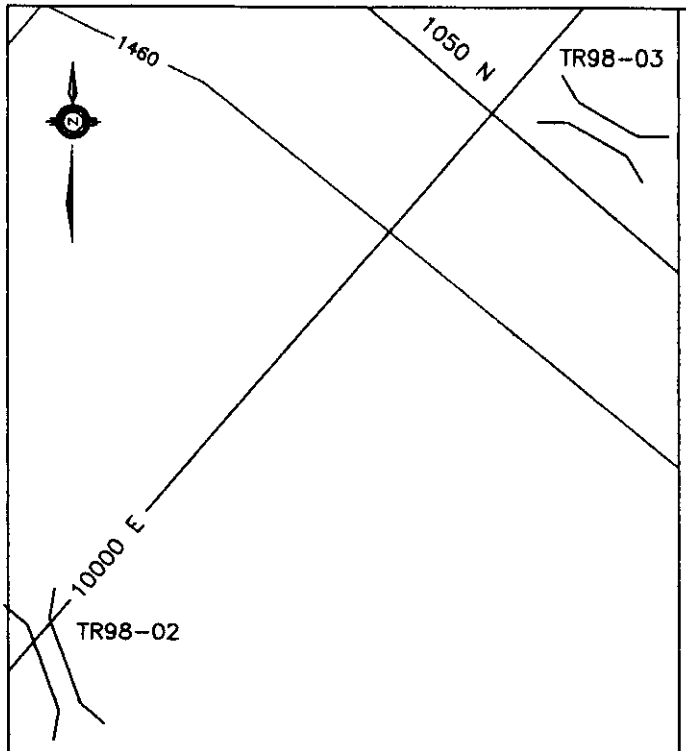
FILE: SMD\TD\ACAD03\TD-TR01(02).DWG	DATE: MARCH, 2003

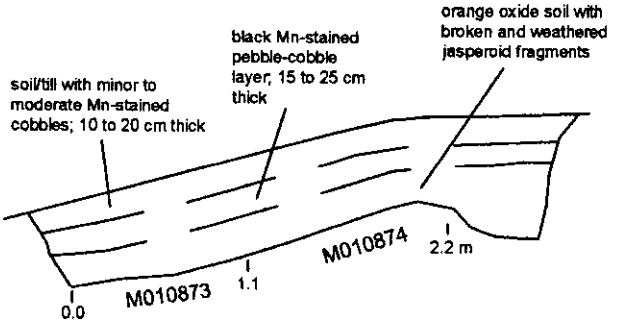


TR98-03 Sample Data

start (m)	end (m)	Sample Interval(m)	Sample No.	Ag (ppm)	Pb (ppm)	Zn (ppm)	Cu (ppm)
0.0	1.0	1.0	M010873	<1	19	144	9
1.0	2.2	1.1	M010874	1	22	459	5

TR98-03 was deepened and extended in 2002

Trench 98-03 (profile looking northeast)



M010873 chip sample across orange weathering, grey to white silica-altered zone with disseminated fine pyrite and darker secondary grey silica wisps

M010874 same as above

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FIGURE 9

ARCHER, CATHRO & ASSOCIATES (1981) LIMITED

TRENCH TR98-03

TOUCHDOWN PROPERTY

0 10 20 30 40 m

DRAWN\REVISED BY: TCB/RCC	PROJECT:
FILE: SMD\TD\ACAD03\TD-TR03(02).DWG	DATE: MARCH, 2003

tetrahedrite. Most samples are moderately to strongly weathered with limonite and manganese coating fractures and filling pits after sulphides. The breccias were originally thought to be quite extensive but the 2002 trenching confirmed that this appearance is largely a function of solifluction and that the two zones trenched are only 0.4 to 1 m wide.

The average grade for seven specimens of mineralized jasperoid float collected in 1998 was 14.0% zinc, 0.43% lead, 275 g/t silver and 0.09% copper (Becker, 1999). Trenching in 2002 in the area of the 1998 float occurrences exposed only weakly mineralized bedrock, however. Assays of this material are documented in Appendix III and on Figures 8 and 9.

Showing I (Figure 7) was explored during several earlier programs with hand trenches that exposed quartz±carbonate veins cutting strongly manganese stained granodiorite. A selected specimen from a 0.35 m wide vein returned 44.60% zinc, 12.30% lead, 0.05% copper, 95 g/t silver and 1.48 g/t gold (Wengzynowski, 1996).

DISCUSSION AND RECOMMENDATIONS

The best economic potential on the Touchdown property lies within a broad band of calc-silicate rocks that are flanked by a granodiorite batholith and an outlying stock or apophysis. Diopside-garnet skarns, occasionally mineralized with zinc, copper, tungsten or molybdenum, are developed within the calc-silicate rocks, likely at the time of the intrusive activity. Faulting post-dates emplacement of the intrusions and this enabled a second mineralizing event possibly unrelated to the earlier skarnification. Mineralizing fluids migrated along the faults and ultimately deposited silver and base metal sulphides in veins or silicified replacement deposits. The veins occur in all rock types and consist of galena and sphalerite in a quartz-carbonate gangue. The replacement showings formed in limestone horizons and are typified by jasperoid alteration. They contain minor sphalerite and pyrite with lesser galena and chalcopyrite. Available data suggests that the replacement showings are enriched in silver relative to the skarn and vein occurrences but overall grades of material exposed by hand trenching are low and tonnage potential appears to be limited.

Further exploration should be done on a low priority basis and it should focus on silver rich replacement showings, which resemble mineralization at the nearby Silver Hart, QB and Blue Heaven properties. This work should consist of detailed prospecting and additional hand trenching to evaluate untested geochemical anomalies. Excavator trenching or diamond drilling will likely be required to fully evaluate the property.

Respectfully submitted,

ARCHER, CATHRO & ASSOCIATES (1981) LIMITED

B. Wengzynowski

W. A. Wengzynowski, P.Eng.

SELECTED REFERENCES

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DIAND

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APPENDIX I

AUTHOR'S STATEMENT OF QUALIFICATIONS

STATEMENT OF QUALIFICATIONS

I, William A. Wengzynowski, geological engineer, with business addresses in Whitehorse, Yukon Territory and Vancouver, British Columbia and residential address in North Vancouver, British Columbia, do hereby certify that:

1. I graduated from the University of British Columbia in 1993 with a B.A.Sc in Geological Engineering, Option l, mineral and fuel exploration.
2. I became a Professional Engineer on December 12, 1998 registered in the Province of British Columbia.
3. From 1983 to present, I have been actively engaged in mineral exploration in the Yukon Territory and am presently a partner of Archer, Cathro & Associates (1981) Limited.
4. I have personally participated in and supervised the fieldwork reported herein.

B. Wengzynowski

W.A. Wengzynowski, P. Eng.

APPENDIX II

ROCK SAMPLE DESCRIPTIONS

Rock Sample Descriptions Project: RANCHERIA Property: TOUCHDOWN

Sample Number: M010887 | Grid North: N | Grid East: E | Type: float/subcrop | Dimension: ~40m wide
UTM: N | UTM: E | Sample Width: | Abundance: 40 by 40 concentration
Elevation: m
Comments: MANGANIFEROUS SIDERITE with irregular particles (rounded) of grey-white limestone. STRONGLY OXIDIZED AND PITTED WITH INTERMINGLING ZONES of chocolate brown and black, moderately dense material.

Sample Number: M010888 | Grid North: N | Grid East: E | Type: FLOAT | Dimension:
UTM: N | UTM: E | Sample Width: 6cm | Abundance: MINOR.
Elevation: m
Comments: Nearby above sample (2m) possibly less altered subcrop of vein zone. Blonde Siderite core with manganiferous rims, ranging from ½cm to 1.5cm. Outer rim exhibits black and orange oxide pitting. Sphalerite wisps, possibly tetrahedrite and trace cpy in core region.

Sample Number: M010889 | Grid North: N | Grid East: E | Type: FLOAT | Dimension: 10x10x15cm
UTM: N | UTM: E | Sample Width: | Abundance: Abundant MGN but a lot of diff. types
Elevation: m
Comments: Siderite/skarn(?) Breccia healed with grey silica and grey sulphide (very fine). Sphalerite and galena are dominant (10-12% combined). Very dense rock.

Sample Number: M010890 | Grid North: N | Grid East: E | Type: FLOAT | Dimension: 10x10x10
UTM: N | UTM: E | Sample Width: | Abundance: Same as above.
Elevation: m
Comments: Same as above but less brecciation. At one time had ~35% sulphides. About 15% preserved as galena, sphalerite and fine pyrite. Rest is boxwork limonite and cerussite.

Sample Number: M010891 | Grid North: N | Grid East: E | Type: float/subcrop | Dimension: 20x20x15cm
UTM: N | UTM: E | Sample Width: | Abundance: Abundant but concentrated in 5m area
Elevation: m
Comments: Dense but strongly to extremely PITTED black and red jasperoid? material. No sulphides preserved.

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

APPENDIX III

CERTIFICATES OF ANALYSIS

ALS Chemex
EXCELLENCE IN ANALYTICAL CHEMISTRY
Aurora Laboratory Services Ltd.
212 Brooksbank Avenue
North Vancouver BC V7J 2C1 Canada
Phone: 604 984 0221 Fax: 604 984 0218

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

Project : Touch Down

Date : 29-Aug-2002
Account: MTT

CERTIFICATE OF ANALYSIS VA02002815

Sample Description	Method Analyte Units LOR	ME-ICP41 Tl ppm 10	ME-ICP41 U ppm 10	ME-ICP41 V ppm 1	ME-ICP41 W ppm 10	ME-ICP41 Zn ppm 2	Au-AA24 Au ppm 0.005	Ag-AA46 Ag ppm 1	Pb-AA46 Pb % 0.01	Zn-AA46 Zn % 0.01	As-AA46 As % 0.01	Cu-AA46 Cu % 0.01
M010873		<10	<10	3	10	144	0.009	<1	<0.01	0.02		
M010874		<10	<10	4	<10	459	0.019	1	0.01	0.05		
M010875		<10	<10	8	<10	5080	0.013	7	0.03	0.52		
M010876		<10	<10	8	<10	>10000	<0.005	8	0.04	1.18		
M010877		<10	<10	10	<10	9390	<0.005	4	0.04	0.95		
M010878		<10	<10	17	<10	838	<0.005	<1	0.01	0.09		
M010879		<10	<10	8	<10	335	0.023	83	0.22	0.03		
M010880		<10	<10	3	<10	589	0.749	140	0.88	0.06		
M010881		<10	20	2	<10	5220	<0.005	1290	23.1	0.52		
M010882		<10	<10	<1	<10	6400	0.278	1225	27.1	0.59		
M010883		<10	10	6	<10	7330	1.420	1310	23.3	0.72		
M010884		<10	<10	8	<10	115	0.007	39	0.50	0.01		
M010885		<10	<10	8	<10	167	0.032	35	0.54	0.02		
M010886		<10	20	<1	<10	9450	0.435	1400	>30.0	0.89		1.00
M010887		<10	50	18	<10	6110	<0.005	44	0.14	0.74		
M010888		<10	20	19	<10	>10000	0.026	93	0.10	6.64		
M010889		<10	10	19	<10	>10000	0.286	64	1.28	4.77		
M010890		<10	<10	19	<10	>10000	0.583	109	2.03	5.30	2.10	
M010891		<10	20	17	<10	>10000	0.019	12	0.03	3.51		

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VANCOUVER BC V6B 1L8

Project : Touch Down

Date : 29-Aug-2002
Account: MTT

CERTIFICATE OF ANALYSIS VA02002815

Sample Description	Method Analyte Units LOR	WEI-21 Recvd Wt kg 0.02	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	ME-ICP41 Ga ppm 10
M010873		1.92	0.5	0.17	121	<10	10	<0.5	<2	0.03	<0.5	2	81	9	1.07	<10
M010874		1.74	<0.2	0.23	108	<10	20	<0.5	<2	0.03	1.0	2	52	5	3.10	10
M010875		1.60	6.1	0.34	71	<10	20	0.9	2	0.22	8.2	13	29	41	4.10	10
M010876		1.66	3.3	0.30	44	30	20	1.3	<2	0.08	34.4	10	33	85	7.75	70
M010877		1.12	1.2	0.27	45	10	10	0.8	<2	0.20	22.9	8	50	44	5.93	50
M010878		1.16	<0.2	0.52	80	<10	10	0.5	<2	0.14	2.1	5	47	11	1.86	10
M010879		2.16	77.3	0.28	768	<10	50	<0.5	5	0.03	0.9	1	39	53	2.90	<10
M010880		1.42	>100	0.14	2620	<10	10	<0.5	<2	0.01	0.6	1	57	103	2.50	<10
M010881		1.94	>100	0.23	5940	<10	10	<0.5	28	<0.01	34.8	1	22	7210	2.82	<10
M010882	BLUE HEAVEN	1.70	>100	0.07	384	<10	<10	<0.5	31	<0.01	27.9	<1	7	815	0.36	<10
M010883		1.70	>100	0.30	3100	<10	10	<0.5	28	0.01	10.2	1	32	1385	9.33	10
M010884		1.10	35.7	0.74	21	<10	20	1.7	<2	0.64	<0.5	5	34	45	1.56	<10
M010885		1.58	33.5	0.60	78	<10	30	1.7	<2	0.22	<0.5	4	42	114	1.39	<10
M010886		1.42	>100	0.08	3330	<10	10	<0.5	41	<0.01	53.0	<1	9	>10000	0.93	<10
M010887		1.18	15.1	0.14	168	60	130	<0.5	<2	1.28	12.4	3	19	16	>15.0	130
M010888		0.36	75.7	0.06	46	60	40	0.5	15	0.13	109.0	3	14	734	>15.0	130
M010889		1.06	50.4	0.09	9170	60	10	0.5	29	0.19	91.6	25	19	270	>15.0	120
M010890		0.58	94.6	0.13	>10000	30	10	<0.5	12	0.11	108.0	26	13	503	>15.0	90
M010891		0.82	<0.2	0.14	871	70	<10	<0.5	11	0.01	38.1	2	16	131	>15.0	130

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1016 - 510 W. HASTINGS ST.
VANCOUVER BC V6B 1L8

Date : 29-Aug-2002
Account: MTT

Project : Touch Down

CERTIFICATE OF ANALYSIS VA02002815

Sample Description	Method Analyte Units LOR	ME-ICP41 Hg ppm 1	ME-ICP41 K % 0.01	ME-ICP41 La ppm 10	ME-ICP41 Mg % 0.01	ME-ICP41 Mn ppm 5	ME-ICP41 Mo ppm 1	ME-ICP41 Na % 0.01	ME-ICP41 Ni ppm 1	ME-ICP41 P ppm 10	ME-ICP41 Pb ppm 2	ME-ICP41 S % 0.01	ME-ICP41 Sb ppm 2	ME-ICP41 Sc ppm 1	ME-ICP41 Sr ppm 1	ME-ICP41 Ti % 0.01
M010873		<1	0.10	10	0.02	295	2	0.01	3	60	19	0.19	4	1	3	<0.01
M010874		<1	0.13	10	0.02	2960	1	0.01	2	270	22	0.20	3	1	4	<0.01
M010875		<1	0.17	20	0.06	6350	71	0.01	28	330	317	1.28	<2	5	9	<0.01
M010876		<1	0.28	10	0.04	>10000	<1	0.01	14	250	323	0.41	<2	5	16	<0.01
M010877		<1	0.15	<10	0.05	>10000	1	0.01	13	450	360	0.82	<2	4	10	<0.01
M010878		<1	0.03	10	0.01	2050	6	0.01	10	580	70	0.37	<2	4	7	<0.01
M010879		<1	0.37	10	0.01	80	93	0.01	1	660	2230	0.66	8	1	14	<0.01
M010880		<1	0.13	<10	0.01	88	38	0.01	1	310	9280	0.61	51	<1	4	<0.01
M010881		2	0.17	<10	<0.01	50	19	0.01	<1	350	>10000	7.02	>10000	1	12	<0.01
M010882		<1	0.02	<10	<0.01	14	5	0.01	<1	60	>10000	>10.0	2200	<1	9	<0.01
M010883		<1	0.11	<10	0.01	3780	33	0.01	1	230	>10000	5.15	445	1	17	<0.01
M010884		<1	0.18	30	0.20	540	1	0.01	2	750	4610	0.14	16	1	38	<0.01
M010885		<1	0.17	20	0.13	406	3	0.01	2	620	5310	0.13	12	1	13	<0.01
M010886		1	0.03	<10	<0.01	24	5	0.01	<1	80	>10000	>10.0	>10000	<1	8	<0.01
M010887		<1	0.12	<10	0.05	>10000	6	0.02	11	410	857	<0.01	<2	3	661	<0.01
M010888		<1	0.02	<10	0.22	>10000	<1	0.01	10	<10	681	3.10	<2	7	<1	<0.01
M010889		<1	0.03	<10	0.35	>10000	<1	0.01	21	<10	>10000	2.67	22	5	<1	<0.01
M010890		<1	0.02	<10	0.22	>10000	25	0.01	19	<10	>10000	4.03	97	5	<1	<0.01
M010891		<1	0.07	<10	0.02	>10000	<1	0.01	11	20	220	0.41	<2	4	<1	<0.01

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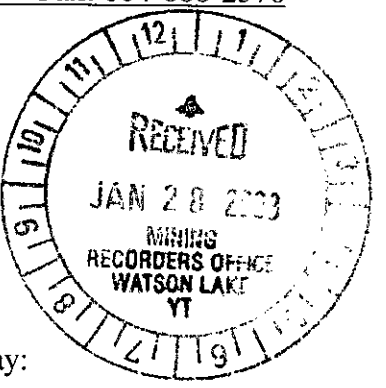

AFFIDAVIT

I, Joan Mariacher, of Vancouver, B.C. make oath and say:

That to the best of my knowledge the attached Statement of Expenditures for exploration work on the Touchdown 1-8 and 71-72 mineral claims on Claim Sheet 105B/7 is accurate.

Joan Mariacher

Sworn before me at Vancouver, B.C.

this 23rd day of January, 2003

094368

Notary Public, Yukon Territory

Statement of Expenditures
Touchdown 1-8 and 71-72 Mineral Claims
January 23, 2003

Labour

D. Eaton – geologist- 24 hours at $60/hr January 2003	$1,540.80
B. Wengzynowski – 16 hours July plus 24 hours January 2003 – total 40 hours at $60/hr	2,568.00
P. Sack – field assistant – 2 days July at $240/day	513.60
J. Mariacher – 13 ½ hours August to January 2003 at $44.45/hr	642.08
	5,264.48

Expenses

Field room and board – 4 days at $115/day	492.20
ALS Chemex	301.92
Norcan Leasing – truck rental plus fuel	139.10
	933.22
	$6,197.70

ARCHER, CATHRO & ASSOCIATES (1981) LIMITED

In Account With

Project RANCHERIA PROJECT — ALL TOUCHDOWN

Date JULY 1 - AUGUST 31, 2002

LABOUR			
Field	B. WENGZYNOWSKI - 16 HRS AT 60/HR TOUCHDOWN	960.00	JULY
	P. SACK - 2 DAYS AT 240 DAY TOUCHDOWN	480.00	JULY
Office	M. Cooke- hrs at $39.15/hr		
Accounting and Expediting	J. Mariacher- 1 hrs at $44.45/hr AUGUST	44.45	1484.45
OTHER SERVICES			
Room & Board in Whitehorse	days at $80/day		
Field equipment from AC stock	4 MANDAYS AT 10/DAY JULY	40.00	
Printing	Photocopies 13 @ .25	3.25	
Rentals from AC	JULY 29 + 31 50X11 AT 10/DAY + 2 GPS AT 15.33/DAY + 3 ICOMS AT 10 DAY + 4 TRAX + TRAILER AT 50 DAY + AUGER DRILL AT 12/DAY	254.66	
Drafting	hrs at $38.40/hr		297.51
EXPENSES			
Petty Cash			
Telephone			
GREYHOUND COURIER	AUGUST TOUCHDOWN	15.00	15.00
MANAGEMENT 6% on Expenses	TOUCHDOWN	0.90	
on Field A/C	TOUCHDOWN	18.17	19.07
			1816.38
GST (R100247667) 7% on 1816.38			127.17
E=GST exempt			1943.55

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Aurora Laboratory Services Ltd.
212 Brooksbank Avenue
North Vancouver BC V7J 2C1 Canada
Phone: 604 984 0221 Fax: 604 984 0218

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

INVOICE NUMBER: 1003461

BILLING INFORMATION

Certificate: **VA02002815**
Account: **MTT**
Date : **30-Aug-2002**
Project : Touch Down + Blue Heaven
P.O. No.:
Quote:
Terms: **Net 30 Days**

QUANTITY	ANALYSED FOR CODE -	DESCRIPTION	UNIT PRICE	TOTAL
1	BAT-01	Administration Fee	0.00	0.00
19	ME-ICP41	34 element aqua regia ICP-AES	4.80	91.20
19	PREP-31	Crush, Split, Pulverize	4.50	85.50
26.22	PREP-31	Wt. Charge (kg) - Crush, Split, Pulverize	0.19	4.98
19	Au-AA24	Au 50g FA AA finish	8.10	153.90
19	Ag-AA46	Ore grade Ag - aqua regia/AA	1.80	34.20
19	Pb-AA46	Ore grade Pb - aqua regia/AA	1.80	34.20
19	Zn-AA46	Ore grade Zn - aqua regia/AA	1.80	34.20
19	ASY-AR01	Assay Aqua Regia Digestion	2.40	45.60
1	Cu-AA46	Ore grade Cu - aqua regia/AA	1.80	1.80
1	As-AA46	Ore grade As - aqua regia/AA	1.80	1.80

SUBTOTAL	$	487.38
GST R100938885	$	34.12
TOTAL PAYABLE (CAD)	**$**	**521.50**

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

11 - Touchdown
282.17
19.75
301.92

Please Remit Payments to :
ALS Chemex
212 Brooksbank Avenue
North Vancouver BC V7J 2C1

8 - Blue Heaven
205.21
14.37
219.58