

ARCHER, CATHRO & ASSOCIATES (1981) LIMITED  
1016 - 510 West Hastings Street  
Vancouver, B.C. V6B 1L8

Telephone: 604-688-2568

Fax: 604-688-2578

---

**ASSESSMENT REPORT**

describing

**PROSPECTING and HAND PITTING**

on the

**CONVERT PROPERTY**

Convert 1-128  
133-154  
159-186  
191-208  
236-243  
315-320

Latitude 60°20'N; Longitude 131°47'W

NTS 105B/5

in the

Watson Lake Mining District  
South-Central Yukon

prepared by

Archer, Cathro & Associates (1981) Limited

for

**STRATEGIC METALS LTD.**

by

William A. Wengzynowski, P.Eng.  
May 2006

## **TABLE OF CONTENTS**

	<b><u>PAGE</u></b>
INTRODUCTION	1
PROPERTY, LOCATION AND ACCESS	1
GEOMORPHOLOGY	2
HISTORY	2
REGIONAL GEOLOGY	2
REGIONAL MINERALIZATION	3
REGIONAL GEOCHEMISTRY	4
PROPERTY GEOLOGY AND STRUCTURE	5
SURFACE MINERALIZATION AND SOIL GEOCHEMISTRY	7
PROPERTY GEOPHYSICS	9
DIAMOND DRILLING	9
2005 PROGRAM	10
CONCLUSIONS AND RECOMMENDATIONS	12
REFERENCES	13

## **APPENDICES**

I	AUTHOR'S STATEMENT OF QUALIFICATIONS
II	ROCK SAMPLE DESCRIPTIONS
III	CERTIFICATES OF ANALYSIS

## **FIGURES**

<b><u>Number</u></b>	<b><u>Following Page</u></b>
1. Property Location	1
2. Claim Location	1
3. Tectonic Setting	2
4. Regional Geology	3
5. Historical Compilation	7
6. Hand Pit Location	10
7. Sample Location	11
8. Geochemistry	11

## **INTRODUCTION**

Strategic Metals Ltd. has a 100% interest in the Convert property which protects a previously unstaked volcanogenic massive sulphide (VMS) target. It consists of 210 mineral claims located in south-central Yukon. This report describes field exploration conducted by Strategic in summer 2005. The program consisted of prospecting and hand pitting within the most prospective target areas identified in Grid 1 and Grid 2 within the northern part of the claim block. This work was performed from a fly camp on the property. 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 property is located in southeastern Yukon at latitude 60°20'N; longitude 131°47'W on NTS map sheet 105B/5 (Figure 1). It is comprised of 210 mineral claims in 2 blocks. (Figure 2) registered with the Watson Lake Mining Recorder in the name of Archer, Cathro and Associates (1981) Limited which holds them in trust for Strategic. Claim registration data are listed below.

<u>Claim Name</u>	<u>Grant Number</u>	<u>Expiry Date*</u>
Convert 1-10	YB60028-YB60037	February 15, 2014
11-30	YB63774-YB63793	February 15, 2011
31-36	YB75068-YB75073	February 15, 2007
37-38	YB75074-YB75075	February 15, 2010
39-106	YB75076-YB75143	February 15, 2007
107-112	YB75144-YB75149	February 15, 2010
113-128	YB75150-YB75165	February 15, 2007
133-138	YB75170-YB75175	February 15, 2010
139-154	YB75176-YB75191	February 15, 2007
159-170	YB75196-YB75207	February 15, 2010
171-186	YB75208-YB75223	February 15, 2007
191-196	YB75228-YB75233	February 15, 2010
197-200	YB75234-YB75237	February 15, 2007
201-204	YB75238-YB75241	February 15, 2010
205-208	YN75242-YB75245	February 15, 2007
236-243	YB75273-YB75280	February 15, 2007
315-320	YB75352-YB75357	February 15, 2010

\*Expiry dates include 2005 work filed for assessment credit but not yet accepted.

A Bell 206B Jet Ranger was used to access the property in 2005. This machine was provided by Capital Helicopters based in Whitehorse. Slim Lake, located about 8 km east of the property is accessible by float plane.

STRATEGIC METALS LTD.

FIGURE 1

ARCHER, CATHRO & ASSOCIATES (1981) LIMITED

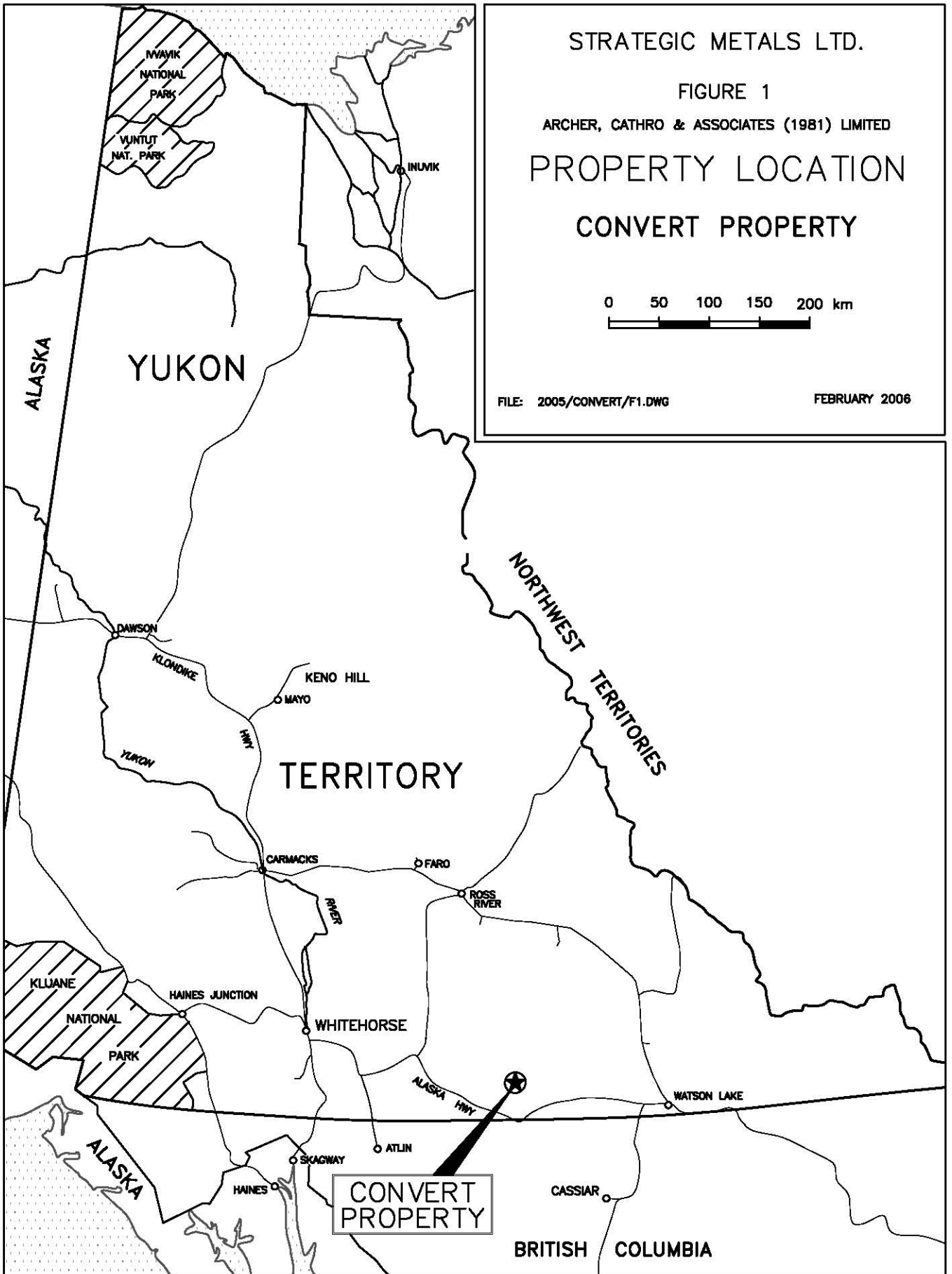
PROPERTY LOCATION  
CONVERT PROPERTY

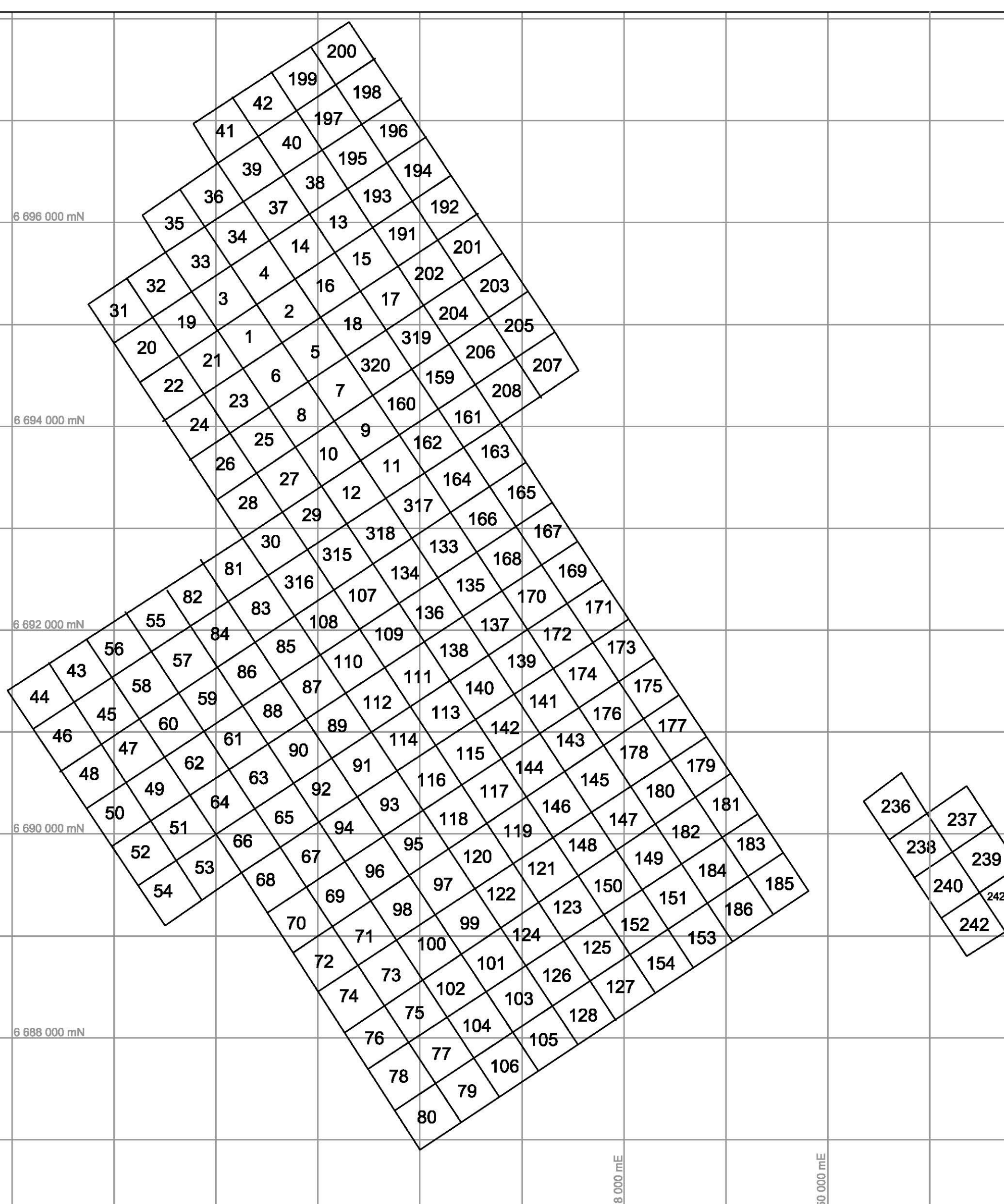
0 50 100 150 200 km



FILE: 2005/CONVERT/F1.DWG

FEBRUARY 2006





**STRATEGIC METALS LTD.**

FIGURE 2  
 ARCHER, CATHRO & ASSOCIATES (1981) LIMITED  
**CLAIM LOCATION MAP**  
 CONVERT PROPERTY

0      1000      2000      3000  
 NAD 83 / ZONE 9V

FILE:..2005/CONVERT/F2.DWG      DATE: FEBRUARY 2006

## **GEOMORPHOLOGY**

The Convert property covers a series of broad knolls and ridges on the flanks of the Morley River within the Cassiar Mountains. Creeks draining the property all flow into the Morley River, a tributary of the Yukon River watershed.

Local elevations range from 900 m at the banks of the Morley River to 1915 m on a ridge in the southeastern part of the property. Topographic relief is gentle over most of the property (averaging 10°) with steeper areas along creek cuts and at higher elevations (>1300 m). Pleistocene valley glaciers carved prominent cirques in the southeastern corner of the property and deposited a blanket of till ranging from 0.5 to 10 m thick over the valley floors and on the adjacent hillsides up to about 1300 m elevation.

The property is below tree line with the exception of two areas in the northwestern and southeastern corners. Vegetation consists of dense growths of mature spruce and pine intermixed with alder and willow giving way to stunted black spruce with buckbrush and eventually alpine grass and moss above 1400 m.

## **HISTORY**

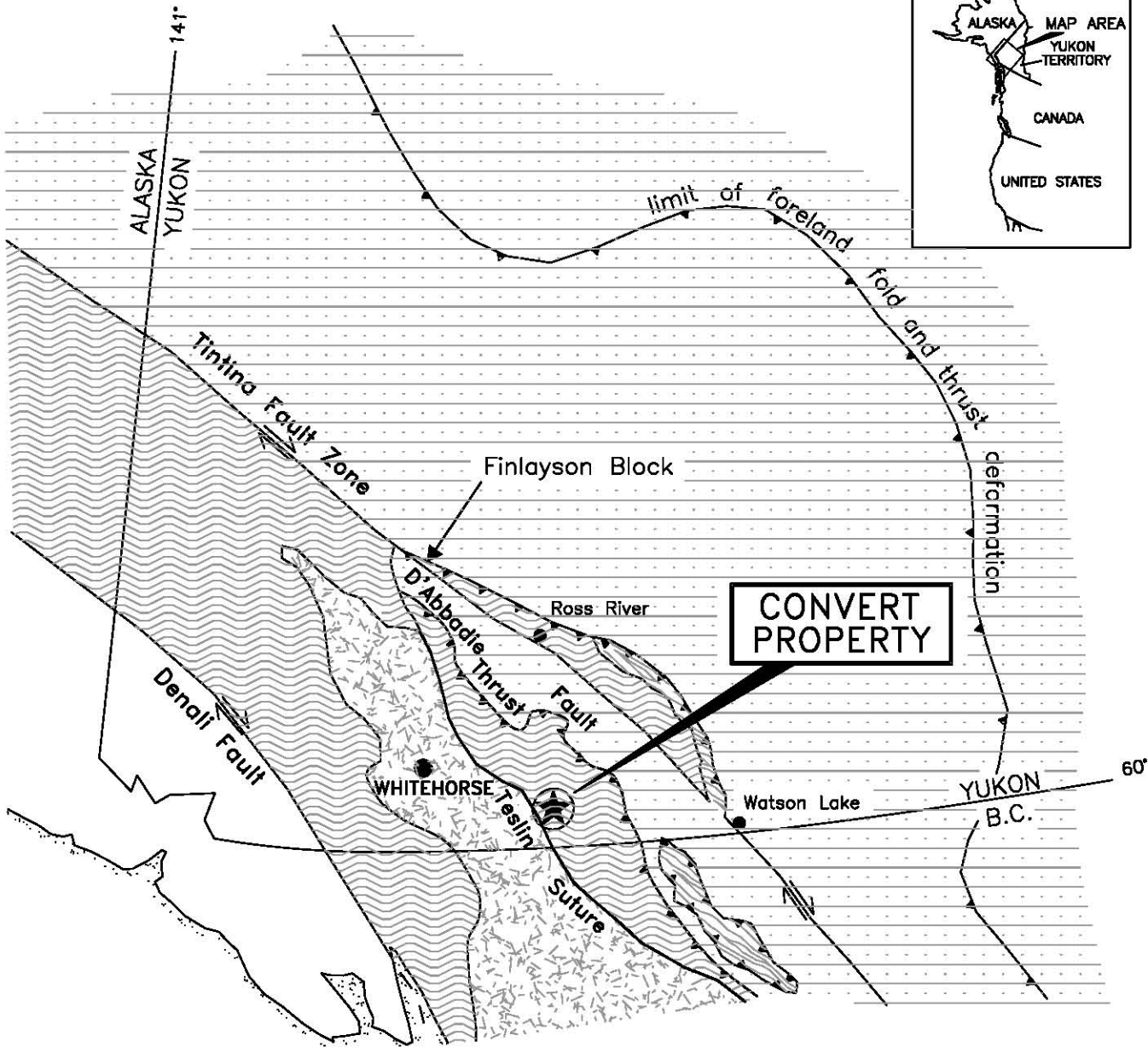
The Convert VMS target was identified in 1971 by Wolf Lake Joint Venture during a regional exploration program managed by Archer Cathro. In 1998 Archer Cathro geologists revisited the target and discovered a prominent kill zone which yielded strongly anomalous multi-element soil geochemical response.







Strategic, formerly Nordac Resources Ltd. staked the first ten claims to cover the core of the target in summer of 1995 and later conducted grid soil sampling, prospecting and mapping (Carne, 1996). In early 1996, 310 claims were added and airborne and ground geophysical surveys were performed. The following summer geological mapping, prospecting and soil sampling were conducted at reconnaissance scale over the entire property and in more detail on four grids (Wengzynowski, 1997). This work identified a number of strong multi-element soil geochemical anomalies on four grids across the property. The most prospective target was identified within the original 10 claim block and 993 m of diamond drilling was carried out during the 1997 field season (Wengzynowski, 1998).

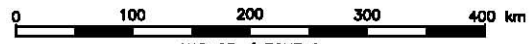
## **REGIONAL GEOLOGY**

The Convert property lies within a belt of metamorphic rocks belonging to the Yukon-Tanana Terrane and Cassiar Platform (Figure 3). This belt extends from northern B.C. across the Yukon into Alaska. The northeastern edge of the belt is defined by the Tintina Fault Zone, a series of subparallel transcurrent faults which produced about 450 km of dextral offset in Late Cretaceous and/or Early Tertiary times (Tempelman-Kluit, et al., 1976). The southwestern side is bounded by the Teslin Suture, an enigmatic zone composed of thrust and high angle faults.

Yukon-Tanana Terrane and Cassiar Platform rocks are composed of Paleozoic stratigraphy which has been intruded by Jurassic to Cretaceous plutons. Both terranes are considered



-  Thrust fault
-  Steep fault
-  Yukon-Tanana Terrane
-  Slide Mountain Terrane
-  Stikinia and other Terranes
-  Cassiar Platform and other North American Miogeoclinal Strata

STRATEGIC METALS LTD.	
FIGURE 3 ARCHER, CATHRO & ASSOCIATES (1981) LIMITED <b>TECTONIC SETTING</b> <b>CONVERT PROPERTY</b>	
 0 100 200 300 400 km NAD 83 / ZONE 9	
FILE: 2005/CONVERT/F3.DWG	DATE: FEBRUARY 2006

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

"suspect terrane" representing variably distal metamorphosed equivalents of North American continental margin sediments. Yukon-Tanana, the furthest outboard of the two terranes, is thrust onto Cassiar Platform rocks by the D'Abbadie Thrust Fault. The regional metamorphic fabric within both terranes strikes northwesterly and dips moderately toward the northeast.

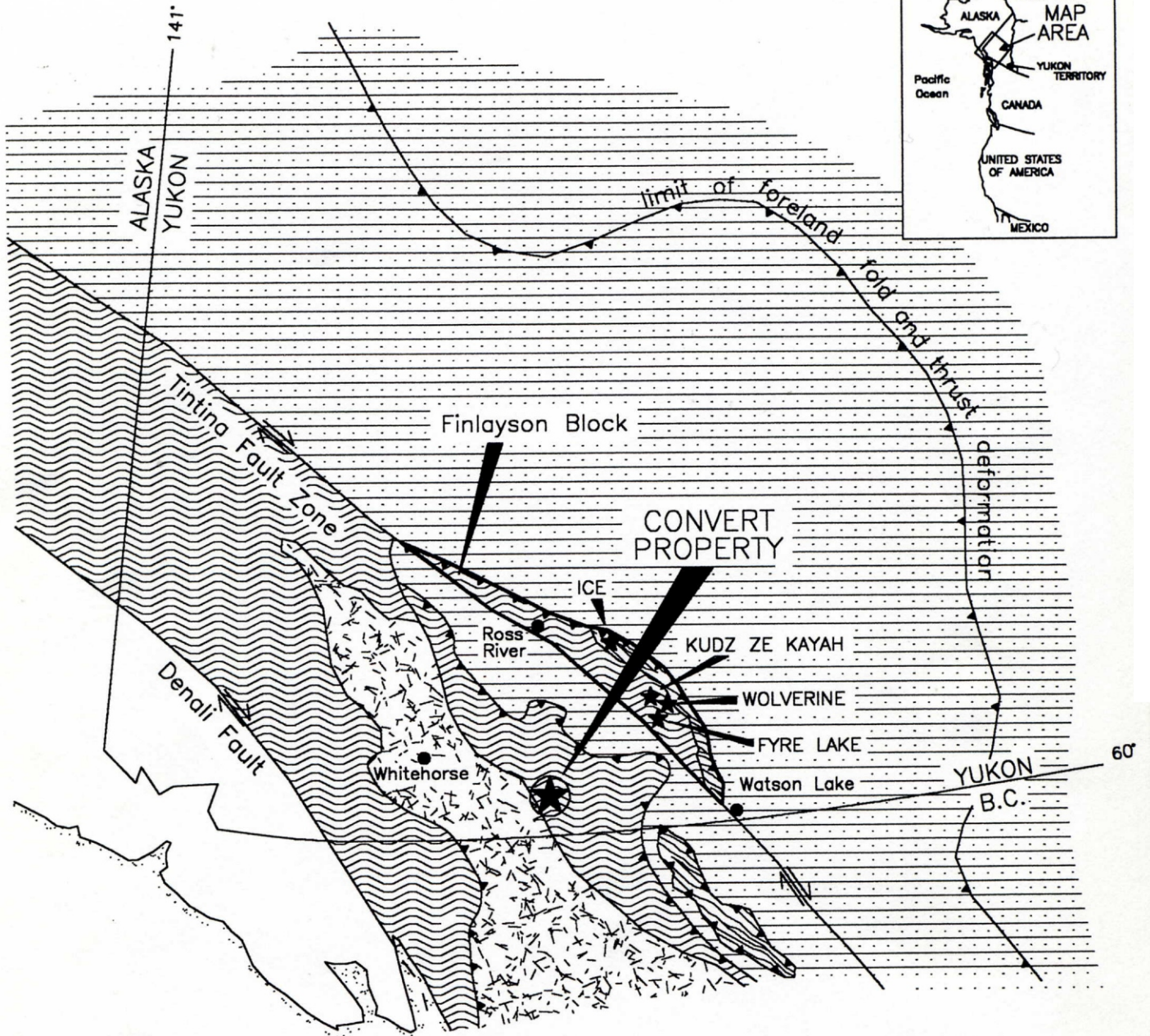
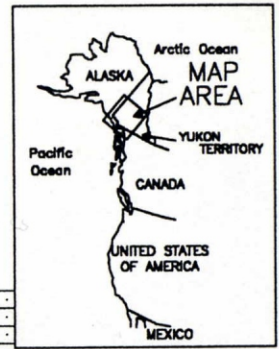
Yukon-Tanana Terrane stratigraphy is the offset extension of similar rocks in the Finlayson Lake District some 85 km to the northeast. The Finlayson Lake rocks host Kuroko (Kudz Ze Kayah and Wolverine Deposits) and Besshi (Fyre Lake Deposit) VMS mineralization. Mapping by Murphy during the late 1990s suggests these deposits are contained within a regionally extensive package of stacked felsic and mafic metavolcanic rocks (Figure 4). The metavolcanic rocks occur within a sequence of predominantly dark siliceous phyllite and schist that becomes carbonaceous and calcareous toward the base of the section (Mortensen and Jilson, 1985; Murphy, 1997). The Yukon-Tanana Terrane represents an island arc assemblage that was deformed and imbricated during accretion to the North American Craton during Late Paleozoic (Mortensen, 1992).







The most recent mapping in the Convert area by Roots et al., 2004 confirmed the presence of Yukon-Tanana Terrane stratigraphy. Two main units in the vicinity of the claim block belong to the Swift River Group and Dorsey Complex. Rocks of the Swift River Group consist of thinly interlayered grit, metasandstone, phyllite, argillite, quartzite, conglomerate, limestone, chloritic metatuff, siltstone, chert and volcanic breccia. The latter four units are likely what are described on a property scale as the volcanoclastic rocks. The Dorsey Complex lies stratigraphically below the Swift River Group and comprises biotite-garnet schist, quartz metagrit and minor marble.

### **REGIONAL MINERALIZATION**

Approximately 144 mineral occurrences have been reported within the Yukon-Tanana Terrane and Cassiar Platform rocks on NTS map sheet 105B (Deklerk, 2002). The majority of the occurrences found in the area consist of silver-lead-zinc±copper±gold veins with lesser tin-tungsten-zinc skarns. Several lead-zinc-silver replacement type occurrences are also noted. The most significant discoveries in this region to date are vein and replacement type mineralization at the Logan, Silvertip and Silver Hart Deposits. Vein and shear hosted mineralization occurs within the Cretaceous Marker Lake Batholith at the Logan Deposit where reserves are estimated at 13.08 million tonnes grading 5.1% zinc and 23.7 g/t silver (Traynor, 2005). The Silvertip Deposit is classified as a carbonate replacement body hosted by Devonian limestone. Diamond drilling and underground development have outlined a mineral resource containing 2.5 million tonnes with an average grade of 325 g/t silver, 6.4 lead, 8.8% zinc and 0.63 g/t gold (Silver Standard Resources, 2006). The Silver Hart Deposit consists of a series of high grade silver-bearing veins reportedly containing 59,893 tonnes grading 1824 g/t silver (Traynor, 2005).

VMS discoveries within Yukon-Tanana Terrane in the Finlayson Lake area (approximately 150 km northeast of the Convert property) included both Kuroko and Besshi type. Two occurrences have economic potential, the Kudz Ze Kayah and Wolverine Deposits. These Kuroko type occurrences are the main "type deposits" for Strategic's exploration on the Convert property and are briefly described as follows. The Kudz Ze Kayah Deposit is a VMS deposit hosted by an overturned assemblage of felsic pyroclastics, aphanitic massive rhyolites and



-  Thrust fault
-  Steep fault
-  Yukon-Tanana Terrane
-  Slide Mountain Terrane
-  Stikinia and other Terranes
-  North American Miogeoclinal Strata

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

## STRATEGIC METALS LTD.

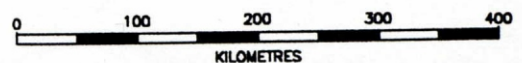
FIGURE 4

ARCHER, CATHRO & ASSOCIATES (1981) LIMITED

### REGIONAL GEOLOGY

CONVERT PROPERTY

FILE:AC/2006/CONVERT/GEOLOGY DATE: MAY 2006



metasiliciclastic rocks belonging to the middle unit of the Layered Metamorphic Sequence (Cominco Exploration, 1995; Whiteway, 1995). Although both the sulphides and wallrocks are highly strained and exhibit pervasive schistosity, compositional layering in the vicinity of the deposit is relatively undeformed with a consistent, shallow northerly dip. Sphalerite, chalcopyrite and galena are the main economic minerals while the gangue includes various mixtures of magnetite, barite, pyrrhotite, pyrite and carbonate. The deposit averages about 18 m thick and has been traced 700 m along strike and up to 400 m downdip. Open pit mineable ore reserves are reported to be 11.3 million tonnes grading 5.9% zinc, 1.33% copper, 1.5% lead, 133 g/t silver and 1.3 g/t gold (Expatriate Resources Ltd., 2000). Preliminary studies suggest that satisfactory lead, zinc and copper concentrates can be produced using conventional flotation processes (Cominco Exploration, 1995). The mineralization responds well to magnetic and electromagnetic surveys but geochemical response is somewhat erratic because the entire deposit is covered by 2 to 10 m of glacial till.

The Wolverine Deposit is located 25 km east of the Kudz Ze Kayah property near a contact between Yukon-Tanana and overlying Slide Mountain rocks. It consists of the Wolverine, Lynx and Sable Zones which are hosted by rhyolitic metavolcanics and argillites lying within the middle unit of the Layered Metamorphic Sequence. The mineralization consists primarily of semi massive to massive pyrite and sphalerite with varying amounts of galena, chalcopyrite, tetrahedrite and native gold. The surface expression of the Wolverine Zone is marked by a vegetation kill zone containing weakly malachite stained argillite while the Lynx and Sable Zones are blanketed by glacial till. Westmin has traced the deposit 700 m along strike and up to 450 m downdip and it is still open. The mineralization averages 6.1 m thick and dips shallowly to the north. The Sable Zone, which lies about 1500 m to the southeast, was discovered in late 1997 when two holes yielded high grade intersections over narrow widths. All three zones contain significantly more zinc and precious metals than Kudz Ze Kayah. The most recent geological inventory is a measured and indicated resource of 4.46 million tonnes grading 12.14% zinc, 1.16% copper, 1.58% lead, 354.8 g/t silver and 1.69 g/t gold (Yukon Zinc Corporation, 2006). Soil geochemistry outlined weakly to moderately anomalous values along the projected surface trace of the deposit while magnetic surveys easily traced laterally extensive, banded iron formation which occurs about 50 m upsection from the massive sulphide horizon. Interpretation of electromagnetic results is complicated by the presence of graphite within the argillite.

### **REGIONAL GEOCHEMISTRY**

Published geochemical data for the Convert area are limited to reconnaissance scale stream sediment sampling conducted in the late 1970s by the GSC (Hornbrook, 1980). The sampling was done at an approximate density of one sample per 13 sq km. Each sample was analyzed for 20 elements including such common indicator elements for VMS deposits as copper, lead, zinc, silver and arsenic.

Strategic was able to supplement the published reports with private data summarizing results of 1971-72 exploration managed by Archer Cathro on behalf of the Wolf Lake Joint Venture (Archer and Cathro, 1971 and 1972). The Archer Cathro samples include approximately 3600 soil and stream sediments collected at a density of about one sample per 3 sq km. They were

analyzed for lead, zinc, silver, copper, molybdenum and tungsten and provide relatively uniform coverage over most of the region.

The following table illustrates regional geochemical background for four of the VMS pathfinder metals and anomalous thresholds used for target selection.

#### **GEOCHEMICAL BACKGROUNDS AND ANOMALOUS THRESHOLDS (PPM)**

<u>Metal</u>	<u>Background</u>	<u>Weak</u>	<u>Moderate</u>	<u>Strong</u>	<u>Peak Value</u>
Silver	0.1	1	2	5	20
Lead	25	50	100	200	1000
Zinc	80	200	500	1000	5000
Copper	15	50	100	200	554

Stream sediments and soil samples taken by the GSC in 1978 and by Archer Cathro in 1971 in the vicinity of the Convert property returned strongly anomalous values for zinc (4500 ppm), lead (670 ppm) and silver (7.8 ppm). Copper values were only moderately anomalous with a peak value of 140 ppm.

#### **PROPERTY GEOLOGY AND STRUCTURE**

The following section is paraphrased from Wengzynowski, 1998.

Outcrop exposure across most of the property is generally poor at lower elevations, not exceeding 1%, and sporadic in upland areas ranging from 2 to 5%. Foliation is well developed and trends north to northwest with variable dips. Ten units are recognized within the claim block. The first three units described are believed to belong to Yukon-Tanana Terrane while the next three are likely part of Cassiar Platform. The remaining four units are assigned to the Mesozoic Plutonic Suite.

#### **Lithology**

**Quartz-muscovite±biotite±chlorite schist** is well foliated and varies from tan to pale green to green with white bands. This unit most commonly occurs in the southern part of the property. Quartz is the main mineral (≥30%) and commonly forms eyes up to 2 mm across. Muscovite, biotite and chlorite define well developed foliation. Individual horizons vary from non calcareous to moderately calcareous and occasionally contain minor graphite. In drill core some intervals are strongly chlorite or sericite altered and contain calcareous porphyroblasts.

**Chert** is most abundant in the northern part of the claim block. It is moderately banded, white, grey or tan and thickly to thinly laminated. Muscovite content varies from 0 to 20% and in places this unit grades into quartz-muscovite schist. Minor pyrite and hematite parallel foliation in several areas while magnetite and graphite laminae are observed in float boulders and drill core from Grid 1 in the northern part of the claim block. In these areas the unit is interpreted to be a silica exhalite.

**Phyllite** has only been identified in the northern part of the property where it is the dominant unit in drill core. Outcrops are well foliated, dark grey and in places contain thin quartz and/or graphite laminae. In drill core phyllite is normally dark grey or black but becomes grey to pale green where it is sericite or chlorite altered. Crenulations are common and minor disseminated pyrite is often present.

**Quartz-feldspar-muscovite±biotite grit** is found south of the Morley River. It is tan to yellow and weakly to moderately foliated. Quartz forms between 20 to 40% of the rock and typically exhibits sucrosic texture. Pitting is common, likely resulting from feldspar weathering to clay.

**Limestone** is grey to white, buff weathering and thinly bedded. Disseminated pyrite is present in minor quantities. This unit is exposed in the southeastern part of the property.

**Peridotite** outcrops along the southerly edge of the claim block. It is greenish black, moderately to strongly serpentinized and weakly to moderately magnetic. Narrow discontinuous bands of chrysotile ( $\geq 1$  mm) are present in some float boulders.

**Quartz-feldspar porphyry** occurs within a localized float train in the southeastern corner of the property. It is white to tan and non foliated. Quartz and feldspar phenocrysts range from 1 to 4 mm in diameter.

**Andesite** is grey to orange weathering, green on fresh surfaces, aphanitic and moderately foliated. This unit occurs on Grids 2 and 3. It is generally strongly fractured and contains foliaform quartz-carbonate sweets and crosscutting veinlets. Trace pyrite is present in some outcrops.

**Granodiorite** is tan, grey or white, generally blocky weathering and non foliated. It locally weathers to fine, uniform pebble-sized rubble where feldspar is dominant. Composition is variable ranging from granite to hornblende diorite. The two largest exposures are found along the eastern and western edges of the claim block while smaller dykes and sills outcrop in the southeastern part of the property.

**Greenstone** is medium grained, olive green and strongly calcareous. It is comprised dominantly of chlorite, quartz and carbonate with regular 2 to 3 mm wide carbonate veins. This unit is only seen in the drill area where it appears to form  $< 1$  m wide dykes with sharp but irregular contacts.

### Structure

Property scale faults are observed both subparallel and perpendicular to foliation. Displacement of faults is not known. Defining features include brecciation and slickensides at surface and gouge zones in drill core.

Outcrop scale folding occurs throughout the property. In the northern part, folds are generally broad high amplitude structures whereas in the south, isoclinal folds are dominant. Deformation fabrics are well developed in outcrops and in drill core. Phase 1 deformation is indicated by foliation which generally strikes northwesterly and dips moderately to the southwest. Phase 2

deformation is defined by slaty cleavage only observed in drill core. Angles between these two planar features range between 0 and 40°. Relict bedding is rarely preserved and where present is roughly parallel to foliation.

Quartz±carbonate veins, veins and veinlets are common in all units except the granodiorite and porphyry.

### **SURFACE MINERALIZATION AND SOIL GEOCHEMISTRY**

Eight target areas were outlined in 1996 and 1997 as shown on Figure 5. Table I lists the peak soil geochemical values for VMS indicators obtained from each of the target areas.

**TABLE I**  
**Peak Values (ppm)**

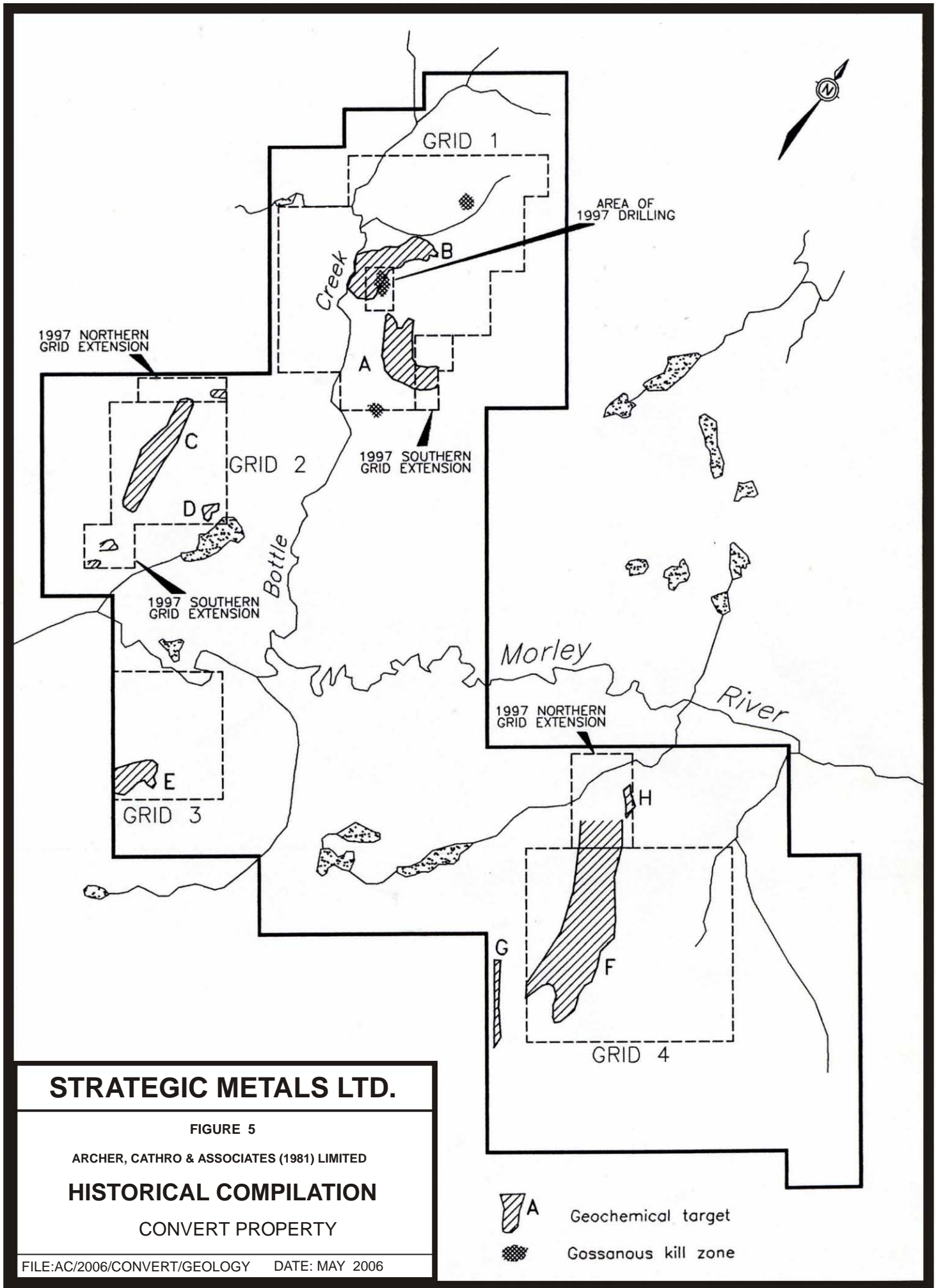
<u>Target</u>	<u>Lead</u>	<u>Zinc</u>	<u>Copper</u>	<u>Cobalt</u>	<u>Molybdenum</u>	<u>Silver</u>
<b>A</b>	682	9720	306	165	16	10.6
<b>B</b>	348	>10000	1345	458	11	10.6
<b>C</b>	4050	5320	499	38	3	21.0
<b>D</b>	300	754	88	22	2	1.8
<b>E</b>	3500	3410	100	42	10	14.6
<b>F</b>	3270	2070	369	59	19	139.0
<b>G</b>	602	542	119	27	4	1.2
<b>H</b>	182	1235	68	17	4	5.4

A brief description of the targets is summarized from Wengzynowski, 1998.

**Target A** is a 1000 by 300 m area of weak to strong lead-zinc response with sporadic copper and silver support. The anomaly trends northwesterly approximately parallel to topography and is associated with a ferricrete kill zone at its southern end. Follow up prospecting within this target traced discontinuous thin (1 to 5 cm) foliaform bands of sucrosic barite along strike approximately 150 m. The barite is located near the uphill edge of the anomaly but no mineralization was found to explain the geochemistry.

**Target B** was the focus of the 1997 drill program. It covers a 900 by 250 m area and exhibits multi-element geochemical response. The anomaly is arcuate with the strongest zinc values occurring within and immediately downhill from a 75 by 50 m ferricrete kill zone. Lead and silver response crosscuts the zinc trend and is best developed above the kill zone. Copper values are highest within the kill zone.

Follow up prospecting in the target area led to the discovery of three showings, two of which suggest that the geochemical anomalies are at least in part derived from a VMS source. A 30 cm diameter block of muscovite altered silica exhalite was found at the base of a cliff containing fine laminations of galena, honey sphalerite and lesser pyrite. A specimen from the boulder returned



**STRATEGIC METALS LTD.**

FIGURE 5

ARCHER, CATHRO & ASSOCIATES (1981) LIMITED

**HISTORICAL COMPILATION**

CONVERT PROPERTY

52.0 g/t silver, 2.73% lead and 0.70% zinc. Barite float was found nearby but could not be traced to source.

The third showing consists of weakly manganese stained, limonite healed breccia, some of which was found occurring perpendicular to local foliation. A sample of this material returned elevated lead (946 ppm) but background values for zinc, copper and silver.

**Target C** consists of a 2300 by 300 m northerly trending cluster of coincident lead-zinc response within which are scattered copper and silver values. The anomaly is roughly parallel to foliation and open to the south where it covers a strong magnetic high that parallels the anomalous trend. Rocks in the vicinity of the grid are foliated andesite with minor limestone. These units are underlain by chert and phyllite.

Skarn float was discovered within the anomalous trend. It consists dominantly of calc-silicates with magnetite and patchy disseminated galena and sphalerite (up to 15% combined). A specimen of skarn mineralization collected in 1996 returned 69.0 g/t silver, 5.37% lead, 4.83% zinc, 200 ppm copper and 20 ppb gold, while fragments of strongly oxidized material collected in 1971 from a shallow hand pit reportedly yielded 21.30% zinc (Archer and Cathro, 1971).

**Target D** is located in the southeastern corner of Grid 2 and consists of two strongly anomalous lead-zinc values with slightly elevated copper and silver. Prospecting in 1997 failed to explain these anomalies.

**Target E** covers a 600 by 300 m area in southern part of Grid 3. The anomaly is defined by strong lead response with a zinc rich core. A skarn float specimen collected 600 m north of the anomaly returned 7.40 g/t silver, 0.74% lead and 0.38% zinc.

**Target F** consists of a 2300 by 900 m north trending zone of anomalous lead response situated in the western part of Grid 4. The target also contains clusters of high zinc, silver and copper values. The anomalous trend is open to the north where it projects beneath thick till cover and to the south where sampling was terminated by cliffs. Strongly anomalous lead values define two linear trends (azimuths 327 and 355°) within the broad zone of weakly anomalous response.

Cerussite bearing vein float was discovered along one of the trends and returned 231.0 g/t silver, 1.05% lead and 280 ppb gold. Mineralized skarn float was found 600 m southeast of the anomaly. One specimen containing disseminated pyrrhotite galena and sphalerite with actinolite and diopside returned up to 47.0 g/t silver, 0.45% lead and 1.86% zinc. Discontinuous semi massive pyrrhotite lenses occur with quartz-muscovite schist on cliffs south of the anomalous zone. Samples from this material returned low values for most metals.

**Target G** consists of a 1300 m string of strongly anomalous lead, zinc and copper values obtained from reconnaissance samples taken along a claim line. The anomalous sample line is located 700 m west of Grid 4. Pyrrhotite-galena-sphalerite bearing diopside skarn float was discovered 1 km west of this target. A sample of the float returned 97.0 g/t silver, 1.73% lead and 0.89% zinc.

**Target H** is a 900 m sequence of strongly anomalous lead, zinc and silver values returned from samples collected on a reconnaissance line downhill and north of Target F. No mineralization has been discovered in this area.

### **PROPERTY GEOPHYSICS**

The following section describing geophysical surveys is paraphrased from Wengzynowski 1998.

A helicopter borne EM/resistivity/magnetic surveys was conducted over the Convert property in early 1996 (Dighem, 1996) and was followed shortly after by a ground magnetometer-VLF survey over the soil geochemical anomaly previously outlined on Grid 1 (Lee, 1997).

Three strong airborne EM conductors were identified, two of which roughly coincide with soil geochemical anomalies. The strongest conductor is located at the southern end of Target A and strikes approximately northwest parallel to the trend of the geochemical anomaly. The conductor extends 600 m southeast beyond the area of soil geochemical coverage. A similar conductor is located immediately east of the geochemical anomaly on Grid 3. It strikes northeasterly at an acute angle to the geochemical trend. The third conductor is a point anomaly near the Morley River where no soil samples have been collected.

Airborne magnetite response is elevated on and adjacent to Grids 2 and 4. Target C is directly correlated with a strong magnetic anomaly that is 900 m long and trends due north. Northwestern trending magnetic highs are scattered along the length of Target F and continue along that trend culminating with a 1500 by 400 m area of positive magnetic response which has not been systematically soil sampled.

The ground geophysical surveys identified a set of slightly divergent VLF conductors in the vicinity of Target A and B. One of the conductors passes directly through the ferricrete kill zone at Target B and roughly parallels foliation in nearby outcrops. Magnetic response from the ground surveys was relatively flat which confirms results from the airborne survey in that part of the property.

In April 1997 a MaxMin 1-10 survey was conducted on Grid 1 by Amerok Geosciences Ltd. of Whitehorse. The work outlined seven weakly to moderately intense conductors, none of which is more than 200 m long. All conductors appear to be caused by thin tabular bodies dipping steeply to the southwest or southeast.

### **DIAMOND DRILLING**

During the 1997 program, six diamond drill holes tested 993 m of stratigraphy on Grid A. The drilling was centred on a previously identified kill zone exhibiting a strongly coincident silver-lead-copper soil geochemical anomaly.

Re-examination of the core by the author in fall 1999 confirmed the presence of cyclical metavolcanic and metasedimentary rocks (Wengzynowski, 2000). The metavolcanic sequence consists of white to grey phyrlic and aphyric rhyolite, quartz-feldspar augen schist, barite and

silica exhalite. These rocks have been subjected to large amounts of strain which is reflected by well developed flattened lapilli textures and high augen aspect ratios. Unit contacts are strikingly sharp and often associated with quartz veining. The metasedimentary sequence is comprised of graphitic and non graphitic phyllite plus white to grey ribbon chert. Metasedimentary contacts observed in core are noticeably more gradational than those associated with the volcanic rocks.

The most common sulphide observed throughout the core is pyrite which occurs mostly as coarsely disseminated recrystallized grains and lesser fine grained foliaform wisps. Only minor base metal sulphide was intersected. The best grades were obtained from a 4.92 m interval of chloritized felsic tuff which returned 1.71% zinc and 5.74 g/t silver, including a 0.60 m section that yielded 9.14% zinc and 25.6 g/t silver. In this particular interval sphalerite occurs as irregular bands, patches and disseminations. Sphalerite is also observed as thin wisps and bands within a narrow rhyolite interval. Only negligible amounts of galena and chalcopyrite were recognized in core and surface samples. Chalcopyrite bearing rhyolite breccia and white quartz vein float was discovered at one locale between Grid A and Grid B however, none of this material was analyzed and the mineralization was not traced to source.

Magnetite occurs as fine grained disseminations within the silica exhalite horizon. This mineralization is situated about 450 m stratigraphically above the barite horizon and is likely associated with a regional exhalative event.

Sericite alteration is pervasively developed throughout the metavolcanic sequence. It is also observed within the metasedimentary rocks but the intensity is much lower and it dissipates rapidly away from the volcanic rocks. Chlorite alteration is rare and is localized at vein selvages and/or fault contacts. Typical alteration zones do not exceed 20 cm in width and are probably attributed to metasomatism as opposed to VMS footwall alteration.

### **2005 PROGRAM**

The 1999 reinterpretation of the drill results suggests that a critical section of the prospective strata was not tested which may be host to the source of the ferricrete kill zone. Although this may be true, it is not strongly supported by soil geochemistry or ground geophysical anomalies. In light of this, the 2005 program focused on hand pitting in the vicinity of the strongest ground geophysical anomalies and the best coincident soil geochemical anomalies contained in a large block southeast of the 1997 drill area (Figure 6). A small isolated area was also inspected northwest of the drill area within Grid 1.

Fourteen rock samples were collected from the property during the 2005 exploration program and submitted to ALS Chemex Labs in North Vancouver where they were dried and fine crushed to -2 mm. A further 250 g split was then pulverized to 75 micron and a portion of this material was digested in aqua-regia acid and analysed for 34 elements by the Induced Coupled Plasma with Atomic Emission Spectroscopy technique. Samples exceeding upper detection limits for certain elements were assayed for total metal content. Rock descriptions are contained in Appendix II while the Certificates of Analysis appear in Appendix III.

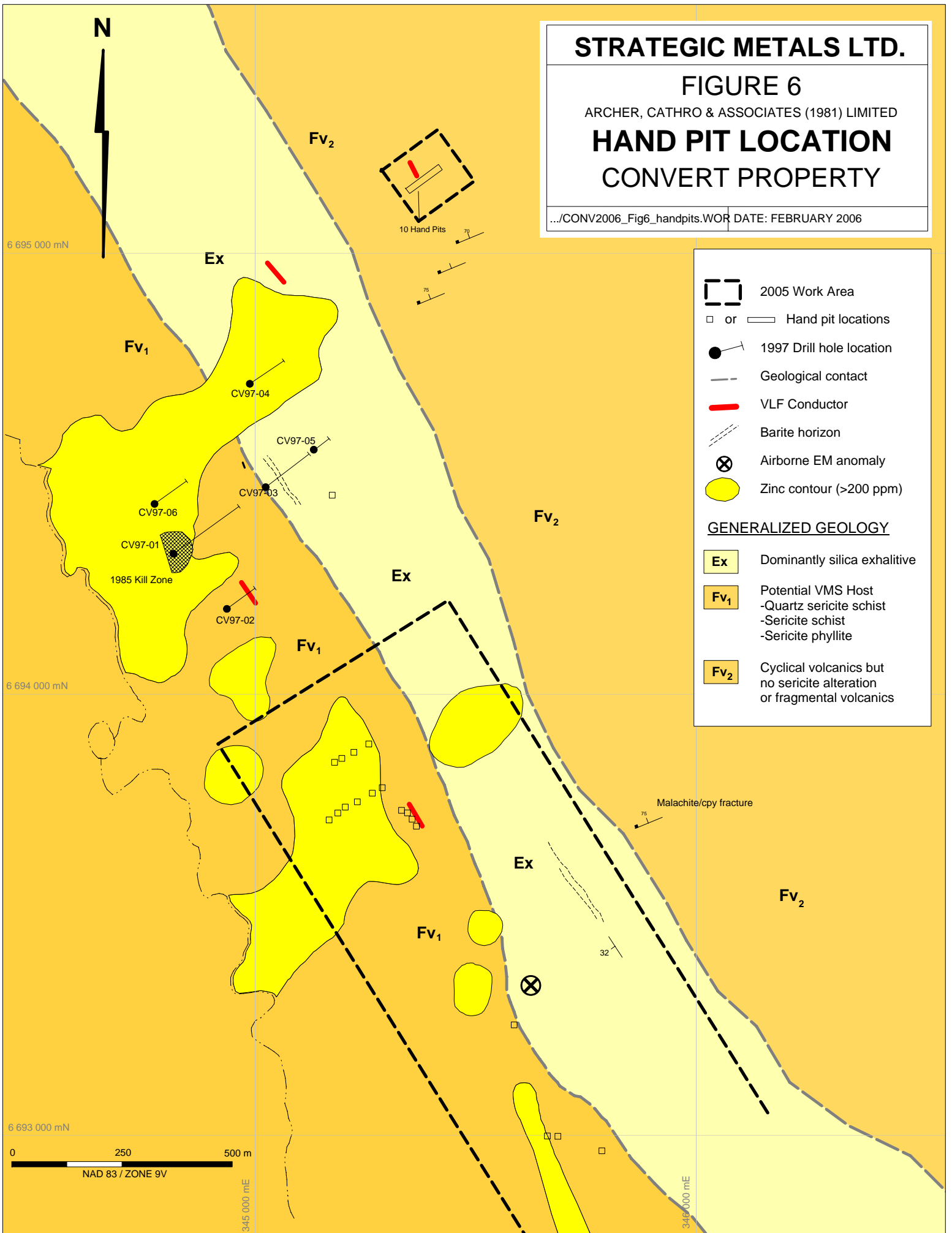
# STRATEGIC METALS LTD.

## FIGURE 6

ARCHER, CATHRO & ASSOCIATES (1981) LIMITED

# HAND PIT LOCATION CONVERT PROPERTY

.../CONV2006\_Fig6\_handpits.WOR DATE: FEBRUARY 2006



Pitting and prospecting across anomalies in the southeastern block (Figures 7 and 8) identified several new showings including a sulphide occurrence which is believed to be within the lower stratigraphic part of the exhalative sequence and is overlain by thin multiple barite horizons roughly 75 to 100 m vertically upsection. The occurrence consists of wispy, foliation-parallel, fine grained galena and sphalerite. A 10 cm sample of this material returned 12.3% lead, 4.09% zinc, 411 g/t silver and 283 ppm copper. Numerous large blocks of silica exhalite material nearby contain clots and disseminations of sphalerite. The western edge of this occurrence is marked by a steep walled ravine that eventually opens into drainage 250 m to the southeast where it forms a very strong gossan at its mouth. Prospecting and pitting at this locale discovered several pieces of dark red stratified ferricrete and abundant manganiferous soil with lesser dark red oxide in 1 by 1 by 1 m deep pits. The dominant rock types from the base of the pits are highly sericitized schist and phyllite fragments, most of which are manganese stained. Stratified ferricrete samples collected in the vicinity of the gossan are up to 30 by 20 by 20 cm in size and consist of red-brown limonite with remnant silica and weak to strong manganese coatings. Samples returned up to .08% lead, 0.22% zinc, 2.5 g/t silver and 73 ppm copper. Other elements of interest that were elevated include cobalt (up to 527 ppm) and nickel (up to 217 ppm). Profile samples from hand pits dug within the gossan yielded up to 8.3 g/t silver, 0.92% zinc, 0.09% cobalt, 0.11% nickel, >5% manganese and >1% barium. Lead values did not exceed 100 ppm.

Hand pits were also excavated near the uphill edge of the largest zinc anomaly in the central portion of the block. Strong lead-zinc values appear to be emanating from a newly discovered ferricrete band that is largely covered by vegetation. The horizon comprises sericite schist and sericite altered phyllite slabs and fragments cemented by red and black manganiferous limonite. A 0.75 m chip sample taken across the exposure yielded low values for the VMS indicator elements. Hefty limonitic sericite altered schists collected from a pit near the northeastern edge of the geochemical anomaly returned 0.32% zinc, 0.15 % lead, and 7.5 g/t silver. One hundred metres to the southeast, at approximately the same stratigraphic level, a moderate VLF anomaly was outlined during the 1997 ground geophysical survey. Four pits were excavated beneath a small bench in the vicinity of the anomaly and material from two of the pits contained moderately graphitic phyllite with black manganiferous limonite bits which returned 0.21% zinc, 1.0 g/t silver and low values for copper and lead. The two other pits were both water filled.

Ten pits were excavated across a strong VLF conductor in the block northwest of the drill area. It roughly coincides with a swampy plateau just downsection from a large accumulation of silica exhalite outcrops. Most of the pits were largely water filled but several yielded sericite phyllite slabs with moderate to abundant limonitic pits and bands likely after pyrite. Samples of this material from several pits yielded weakly elevated zinc response (to 283 ppm) and low values for copper, lead and silver.

Two days were also spent traversing from Grid 1 to Grid 2 where previous work identified zinc bearing skarn mineralization and several moderate to strong lead-zinc soil anomalies.

The area underlying the anomalies is generally quite subdued and exposure is poor. Two showings were located, both of which coincide with areas of low to moderate lead-zinc geochemical response. They consist of semi massive sphalerite, anglesite coated galena and

# STRATEGIC METALS LTD.

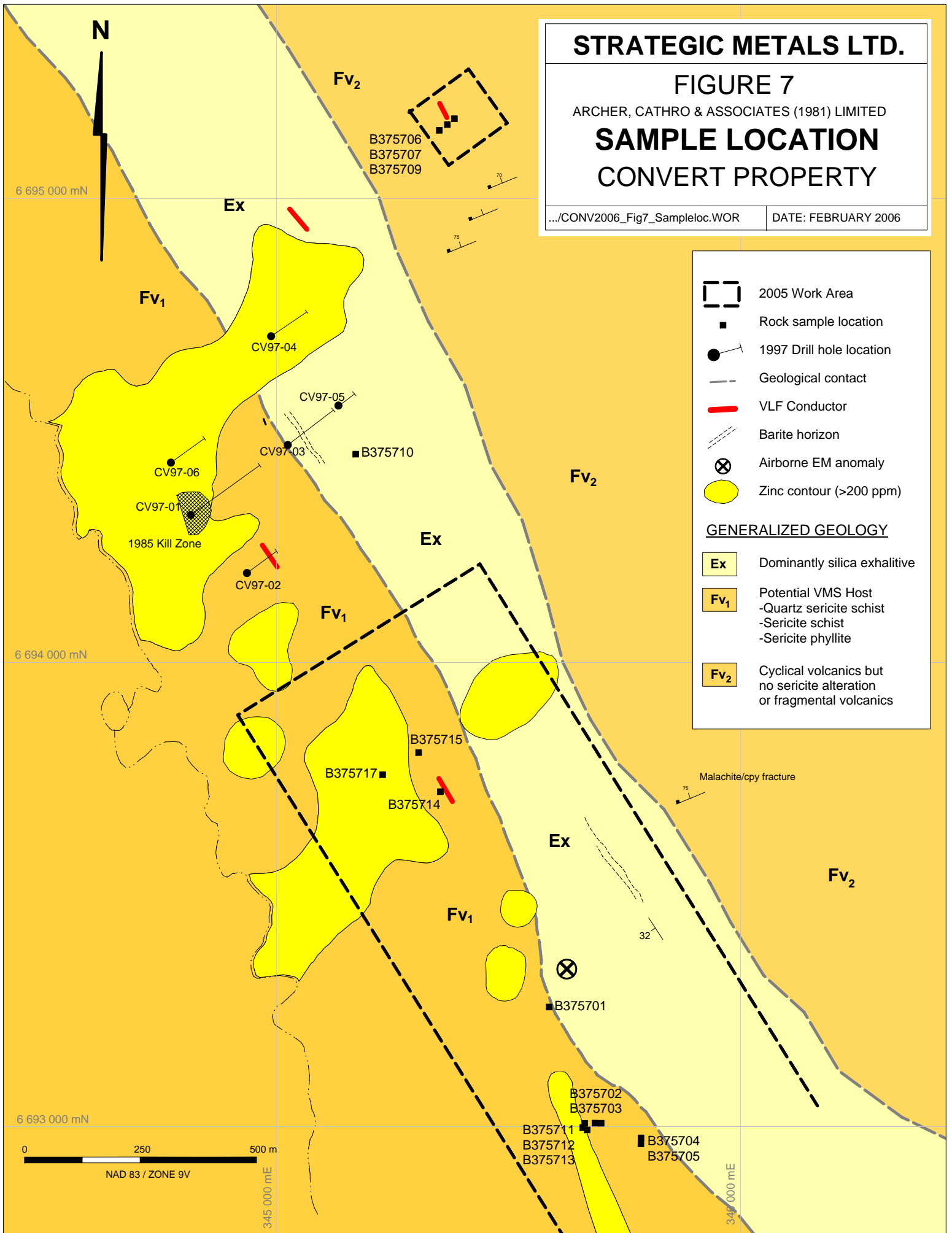
## FIGURE 7

ARCHER, CATHRO & ASSOCIATES (1981) LIMITED

# SAMPLE LOCATION CONVERT PROPERTY

.../CONV2006\_Fig7\_Sampleloc.WOR

DATE: FEBRUARY 2006

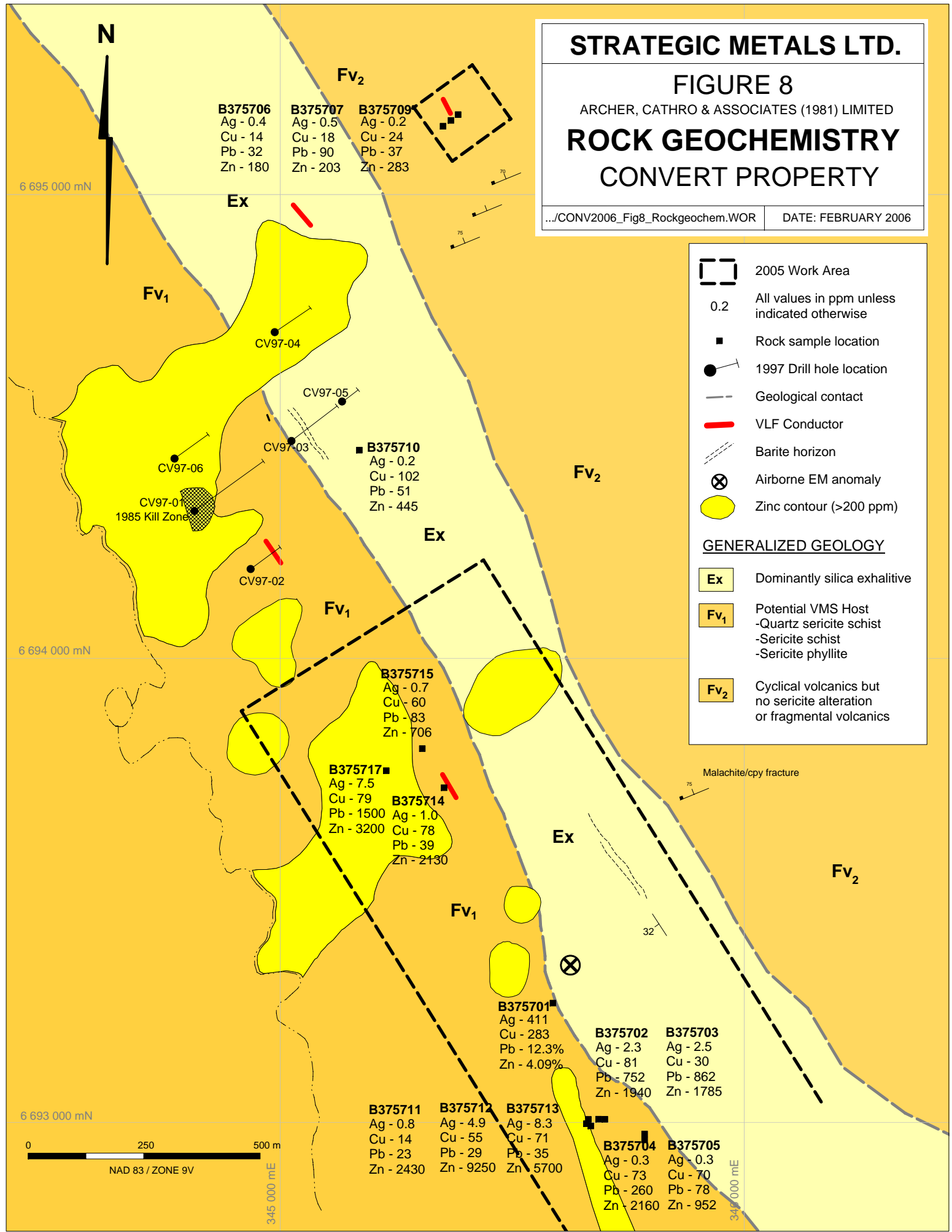


# STRATEGIC METALS LTD.

## FIGURE 8

### ARCHER, CATHRO & ASSOCIATES (1981) LIMITED ROCK GEOCHEMISTRY CONVERT PROPERTY

.../CONV2006\_Fig8\_Rockgeochem.WOR | DATE: FEBRUARY 2006



- 2005 Work Area
- 0.2 All values in ppm unless indicated otherwise
- Rock sample location
- 1997 Drill hole location
- - - Geological contact
- VLF Conductor
- - - Barite horizon
- ⊗ Airborne EM anomaly
- Zinc contour (>200 ppm)

- GENERALIZED GEOLOGY**
- Ex Dominantly silica exhalative
  - Fv<sub>1</sub> Potential VMS Host  
-Quartz sericite schist  
-Sericite schist  
-Sericite phyllite
  - Fv<sub>2</sub> Cyclical volcanics but no sericite alteration or fragmental volcanics

6 695 000 mN

6 694 000 mN

6 693 000 mN

0 250 500 m  
NAD 83 / ZONE 9V

345 000 mE

345 000 mE

**B375706**  
Ag - 0.4  
Cu - 14  
Pb - 32  
Zn - 180

**B375707**  
Ag - 0.5  
Cu - 18  
Pb - 90  
Zn - 203

**B375709**  
Ag - 0.2  
Cu - 24  
Pb - 37  
Zn - 283

**B375710**  
Ag - 0.2  
Cu - 102  
Pb - 51  
Zn - 445

**B375715**  
Ag - 0.7  
Cu - 60  
Pb - 83  
Zn - 706

**B375717**  
Ag - 7.5  
Cu - 79  
Pb - 1500  
Zn - 3200

**B375714**  
Ag - 1.0  
Cu - 78  
Pb - 39  
Zn - 2130

**B375701**  
Ag - 411  
Cu - 283  
Pb - 12.3%  
Zn - 4.09%

**B375702**  
Ag - 2.3  
Cu - 81  
Pb - 752  
Zn - 1940

**B375703**  
Ag - 2.5  
Cu - 30  
Pb - 862  
Zn - 1785

**B375711**  
Ag - 0.8  
Cu - 14  
Pb - 23  
Zn - 2430

**B375712**  
Ag - 4.9  
Cu - 55  
Pb - 29  
Zn - 9250

**B375713**  
Ag - 8.3  
Cu - 71  
Pb - 35  
Zn - 5700

**B375704**  
Ag - 0.3  
Cu - 73  
Pb - 260  
Zn - 2160

**B375705**  
Ag - 0.3  
Cu - 70  
Pb - 78  
Zn - 952

Malachite/cpy fracture

pyrrhotite within a calc-silicate altered band contained within felsic to intermediate schists. The band where exposed is 20 to 30 cm thick and traceable along strike for roughly 2 m. A sample collected across the best section of mineralization, representing roughly 10 cm, returned 6.41% zinc, 3.5 g/t silver and 0.69 g/t gold. All other elements of interest were only weakly elevated. Trace chalcopyrite was also noted within several pieces of medium green andesite float in the central part of the target area. Representative samples of both types of mineralization were collected but not submitted for assay.

### **CONCLUSIONS AND RECOMMENDATIONS**

The Convert property hosts an excellent VMS target within the northern portion of the claim block where previous diamond drilling was conducted in close proximity to a large gossanous kill zone. The target area is over 2 km long and is underlain by a northwest trending overturned sequence of felsic volcanic and silica exhalite stratigraphy of the Yukon-Tanana Terrane. The prospective trend is marked by strong multi-element soil geochemical anomalies.

Prospecting and hand pitting southeast along the trend from 1997 diamond drill holes, identified several sites containing sulphide and/or limonite bearing felsic volcanic strata interpreted to be associated with Kuroko style VMS mineralization. The nature of the mineralization discovered at the southeast end of the target area in particular suggests a proximal stratabound source containing significant precious metal content.

A VTEM (Variable Time Domain Electromagnetic) airborne survey is scheduled to be flown over the northwestern portion of the Convert property in late May. The results of this survey combined with the mineralization identified during the 2005 exploration and previous seasons should provide sufficient data to plan a 500 to 1000 m drill program to evaluate the best VMS targets.

Respectfully submitted,

ARCHER, CATHRO & ASSOCIATES (1981) LIMITED

W.A. Wengzynowski, P.Eng.  
By his Attorney-in-fact  
Joan Mariacher

REFERENCES

- Archer, Cathro and Cathro, R.J.  
1971 Final Report, Wolf Lake Joint Venture, December 1971, p.59.  
1972 Wolf Lake Joint Venture, Final Report November 1972, p.52.
- Carne, R.C.  
1996 Prospecting and Geochemical Survey Report on the Convert 1-130 Claims, Watson Lake Mining District, Yukon Territory.
- Cominco Exploration  
1995 Kudz Ze Kayah Program, Yukon; Information handout from Cordilleran Roundup, Spring 1995.
- Deklerk, R.  
2002 Yukon Minfile Downloads, Yukon Geological Survey, Yukon Energy, Mines and Resources.
- Dighem, A Division of CGG Canada Ltd.  
1996 Dighem v Survey for Nordac Resources Ltd., Convert Property, Simpson Property, Watson Lake, Yukon, NTS 105B/5, 105A/13 by R. A. Pritchard, April 12, 1996.
- Expatriate Resources Ltd.  
2000 News Release, Expatriate Consolidates Kudz Ze Kayah and Wolverine Deposits, March 16, 2000.
- Hornbrook, E.H.W.  
1980 Regional Stream Sediment and Water Geochemical Reconnaissance Data, Yukon Territory 1978, GSC OF 563 (Rev. 80), NGR 43-1978, NTS 105B.
- Johnston, S.T. and Mortenson, J.K.  
1994 Regional Stream Sediment and Water Geochemical Reconnaissance Data, Yukon Territory 1978, GSC OF 563 (Rev.80) NGR 43-1978. NTS 105B
- Lee, C.A.  
1997 Ground Geophysical Report on the Convert Property, Watson Lake Mining District for Nordac Resources Ltd., By C.A. Lee, Amerok Geosciences Ltd., May 6, 1997.
- Mortenson, J.K.  
1992 Pre-Mid Mesozoic Tectonic Evolution of the Yukon-Tanana Terrane, Yukon and Alaska; Tectonics, Vol. 11, No. 4 pp. 836-853.
- Mortenson, J.K. and Jilson, G.A.  
1985 Evolution of the Yukon-Tanana: Evidence from Southeastern Yukon Territory; Geology, V.13, pp.806-810.

- Murphy, D.C.  
1997 Preliminary Geological Map of Grass Lake Area, Pelly Mountains, southeastern Yukon (105G-7). Exploration and Geological Services Division, Yukon, Indian and Northern Affairs Canada, Open File 1997-3.
- Roots, C. Nelson, J., and Stevens, R.  
2004 Bedrock Geology, Morris Lake, Yukon Territory; Geological Survey of Canada, Open File 4631; Yukon Geological Survey, Open File 2004-3, scale 1: 50,000.
- Silver Standard Resources  
2006 Resources Summary, Silver Standard Resources Inc.  
[www.silverstandard.com](http://www.silverstandard.com) resource summary.
- Tempelman-Kluit, D.J., Gordey, S.P. and Read, B.C.  
1976 Stratigraphic and Structural Studies in the Pelly Mountains, Yukon Territory; Geological Survey of Canada Paper 76-1A, pp. 97-106.
- Traynor, S.  
2005 Yukon Mineral Deposits 2005, Yukon Geological Survey, Yukon Energy, Mines and Resources.
- Yukon Zinc Corporation  
2006 News Release, Yukon Zinc completes Feasibility Study, May 9, 2006.
- Whiteway, P.  
1995 "Fast-Tracking" ABM; in Canadian Mining Journal, June 1995, pp. 17-21.
- Wengzynowski, W.A.  
2000 Re-evaluation of 1997 Diamond Drilling on the Convert Property, April 2000.
- 1998 Assessment Report describing Prospecting, Soil Geochemistry and Diamond Drilling on the Convert Property, Watson Lake Mining District, Yukon Territory.
- 1997 Assessment Report describing Geological Mapping, Prospecting, Soil Geochemistry and Geophysical Surveys on the Convert Property, Watson Lake Mining District, Yukon Territory.

**APPENDIX I**  
**AUTHOR'S STATEMENT OF QUALIFICATIONS**

## STATEMENT OF QUALIFICATION

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

1. I am President of Archer, Cathro & Associates (1981) Limited.
2. I graduated from the University of British Columbia in 1993 with a B.A.Sc in Geological Engineering, Option 1, mineral and fuel exploration.
3. I registered as a Professional Engineer in the Province of British Columbia on December 12, 1998 (Licence Number 24119).
4. From 1983 to present, I have been actively engaged in mineral exploration in the Yukon Territory, Northwest Territories, northern British Columbia and Mexico.
5. I have personally participated in and supervised the fieldwork reported herein.

William A. Wengzynowski, P.Eng  
By his Attorney-in-fact  
Joan Mariacher

**APPENDIX II**  
**ROCK SAMPLE DESCRIPTIONS**

## Rock Sample Descriptions

Project: CONVERT Property: CONVERT

Page 1 of

Sample Number: B375701  
 Grid North: \_\_\_\_\_ N Grid East: \_\_\_\_\_ E Type: \_\_\_\_\_ Dimension: \_\_\_\_\_  
 UTM: 6693260 N UTM: 345601 E Sample Width: \_\_\_\_\_ Abundance: \_\_\_\_\_  
 Elevation: \_\_\_\_\_ m

Comments: 7-8 cm stratiform layer on large felsic slab (exhalite) at edge of cliff east side of gully. Mn consists of fine-grained stringers + patches of galena & sphalerite

Sample Number: B375702  
 Grid North: \_\_\_\_\_ N Grid East: \_\_\_\_\_ E Type: \_\_\_\_\_ Dimension: 1 cm  
 UTM: 6693000 N UTM: 345713 E Sample Width: \_\_\_\_\_ Abundance: \_\_\_\_\_  
 Elevation: \_\_\_\_\_ m

Comments: 1 cm pieces of rusty red limonite + minor ferricrete in gossan zone forming at mouth of gully

Sample Number: B375703  
 Grid North: \_\_\_\_\_ N Grid East: \_\_\_\_\_ E Type: \_\_\_\_\_ Dimension: \_\_\_\_\_  
 UTM: 6693000 N UTM: 345713 E Sample Width: \_\_\_\_\_ Abundance: \_\_\_\_\_  
 Elevation: \_\_\_\_\_ m

Comments: combination limonite - brn/red/purple ferricrete to 3cm in gossan

Sample Number: B375704  
 Grid North: \_\_\_\_\_ N Grid East: \_\_\_\_\_ E Type: \_\_\_\_\_ Dimension: \_\_\_\_\_  
 UTM: 6692970 N UTM: 345795 E Sample Width: \_\_\_\_\_ Abundance: \_\_\_\_\_  
 Elevation: \_\_\_\_\_ m

Comments: small fragments of black coated red limonite concentrated in creek

Sample Number: B375705  
 Grid North: \_\_\_\_\_ N Grid East: \_\_\_\_\_ E Type: \_\_\_\_\_ Dimension: 30cm x 20 x 20  
 UTM: 6692970 N UTM: 345795 E Sample Width: \_\_\_\_\_ Abundance: 1 piece  
 Elevation: \_\_\_\_\_ m

Comments: north side of creek, 30x20x20cm piece of stratified ferricrete / limonite with what looks like remnant oxidized silica

Sample Number: B375706  
 Grid North: 10+000 N Grid East: 10+800 E Type: from pit Dimension: \_\_\_\_\_  
 UTM: 6695282 N UTM: 345462 E Sample Width: \_\_\_\_\_ Abundance: \_\_\_\_\_  
 Elevation: \_\_\_\_\_ m

Comments: from most easterly of 10 pits, seriate schist w limonitic sections

## Rock Sample Descriptions

Project: CONVERT Property: CONVERT

Page 3 of

Sample Number: B375707 Grid North: 10+000 N Grid East: 10+800 E Type: from pit Dimension: \_\_\_\_\_  
 UTM: 6695282 N UTM: 345462 E Sample Width: \_\_\_\_\_ Abundance: \_\_\_\_\_  
 Elevation: m \_\_\_\_\_  
 Comments: sericite schist w limonitic sections, possibly associated with  
 secondary qtz (clear qtz stringers cutting through limonite pockets)

Sample Number: B375708 Grid North: 11+000 N Grid East: 10+500 E Type: \_\_\_\_\_ Dimension: \_\_\_\_\_  
 UTM: 6692014 N UTM: 343903 E Sample Width: \_\_\_\_\_ Abundance: \_\_\_\_\_  
 Elevation: m \_\_\_\_\_  
 Comments: Grid 2. sphalerite + pyrrhotite occurring as massive clots +  
 laminae within pale green scarnified / calc-silicate horizon within metaseds

Sample Number: B375709 Grid North: \_\_\_\_\_ N Grid East: \_\_\_\_\_ E Type: ~~From~~ from Pit Dimension: 15x12x5cm.  
 UTM: 10+000 N UTM: 10+860 E Sample Width: \_\_\_\_\_ Abundance: SEVERAL.  
 Elevation: m \_\_\_\_\_  
 Comments: PYRITIC SERICITE SCHIST SLABS WITH lenses of dark orange limonite and  
 clear quartz fragments + stringers. LIKELY AFTER py.

Sample Number: B375710 Grid North: \_\_\_\_\_ N Grid East: \_\_\_\_\_ E Type: ~~From~~ Dimension: 20x20x20cm.  
 UTM: 6694414 N UTM: 345163 E Sample Width: \_\_\_\_\_ Abundance: SEVERAL.  
 Elevation: m \_\_\_\_\_  
 Comments: Silica exhalite homoclastic brecc cemented with weakly limonitic  
 pale orange cement.

Sample Number: B375711 Grid North: \_\_\_\_\_ N Grid East: \_\_\_\_\_ E Type: Pit Profile Dimension: \_\_\_\_\_  
 UTM: 6693000 N UTM: 345680 E Sample Width: 25cm. Abundance: \_\_\_\_\_  
 Elevation: m \_\_\_\_\_  
 Comments: BLACK Manganiferous ferrocite cement and bright red ferrocite  
 simig on top of SW dipping grey phyllite.  
 Pit #5

Sample Number: B375712 Grid North: \_\_\_\_\_ N Grid East: \_\_\_\_\_ E Type: Pit Profile Dimension: \_\_\_\_\_  
 UTM: " N UTM: " E Sample Width: 80cm Abundance: \_\_\_\_\_  
 Elevation: m \_\_\_\_\_  
 Comments: 40 cm BLACK Manganese soil with minor phyllite clasts  
 20 cm Manganese oxide + Red oxide ferrocite. White schist fragments  
 20 cm crusted schist (sericite) with abundant orange oxide  
 Pit #6.

## Rock Sample Descriptions

Project: Convent Property: Convent

Page 1 of

Sample Number: B375713  
 Grid North: " N Grid East: " E Type: Pit Sample. Dimension: 12x12x8cm  
 UTM: " N UTM: " E Sample Width: Abundance: Lots  
 Elevation: m  
 Comments: BLACK manganese ferriite with 20-30% Red oxide.  
SLAB Front Pit.

Sample Number: B375714  
 Grid North: B+800 N Grid East: 10+100 E Type: Pit sample Dimension:  
 UTM: " N UTM: " E Sample Width: Abundance: Moderate  
 Elevation: m  
 Comments: BLACK manganese limonite with red oxide pits  
Associated with crumbly graphitic phyllite

Sample Number: B375715  
 Grid North: B+900 N Grid East: 10+040 E Type: chip Dimension:  
 UTM: " N UTM: " E Sample Width: 0.75m. Abundance:  
 Elevation: m  
 Comments: Red-Blk Ferriite concretis sericite phyllite/schist plates/fragments.

Sample Number: B375716  
 Grid North: 9+020 N Grid East: 10+040 E Type: Pit Float Dimension: 10x8x8cm  
 UTM: " N UTM: " E Sample Width: Abundance: 1pc.  
 Elevation: m  
 Comments: Red-orange lm on dark bnw/blk act. host rock. (unidentified).

Sample Number: B375717  
 Grid North: B+900 N Grid East: 9+970 E Type: Float - Pit. Dimension:  
 UTM: " N UTM: " E Sample Width: Abundance:  
 Elevation: m  
 Comments: V. Heavy TAN/dark bnw limonitic schist with moderate ferriite  
component.

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

ALS Canada Ltd.

212 Brooksbank Avenue

North Vancouver BC V7J 2C1

Phone: 604 984 0221 Fax: 604 984 0218 www.alschemex.com

To: STRATEGIC METALS LTD.

C/O ARCHER, CATHRO & ASSOCIATES (1981)

LIMITED

1016-510 W HASTINGS ST

VANCOUVER BC V6B 1L8

Finalized L

Page: 1

. 22-AUG-2005

Account: MTT

## CERTIFICATE VA05066033

Project: Convert

P.O. No.:

This report is for 17 Rock samples submitted to our lab in Vancouver, BC, Canada on 8-AUG-2005.

The following have access to data associated with this certificate:

AL ARCHER  
VANCOUVER OFFICE

DOUG EATON  
BILL WENGZYNOWSKI

JOAN MARIACHER

## SAMPLE PREPARATION

ALS CODE	DESCRIPTION
FND-02	Find Sample for Addn Analysis

## ANALYTICAL PROCEDURES

ALS CODE	DESCRIPTION	INSTRUMENT
ME-MS62	Trace level ICP-MS analysis	ICP-MS
PGM-ICP23	Pt, Pd, Au 30g FA ICP	ICP-AES

To: STRATEGIC METALS LTD.  
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:



# ALS Chemex

**EXCELLENCE IN ANALYTICAL CHEMISTRY**

ALS Canada Ltd.

212 Brooksbank Avenue  
North Vancouver BC V7J 2C1

Phone: 604 984 0221 Fax: 604 984 0218 www.alschemex.com

STRATEGIC METALS LTD.

C/O ARCHER, CATHRO & ASSOCIATES (1981)

LIMITED

1016-510 W HASTINGS ST

VANCOUVER BC V6B 1L8

Project: Convert

Page: 2 - A

Total # Pages: 2 (A)

Finalized Date: 22-AUG-2005

Account: MTT

## CERTIFICATE OF ANALYSIS VA05066033

Sample Description	Method Analyte Units LOR	PGM-ICP23	PGM-ICP23	PGM-ICP23	ME-MS62
		Au	Pt	Pd	Se
		ppm 0.001	ppm 0.005	ppm 0.001	ppm 1
B375701		0.017	<0.005	<0.001	209
B375702		<0.001	<0.005	<0.001	
B375703		<0.001	<0.005	<0.001	
B375704		<0.001	<0.005	<0.001	
B375705		<0.001	<0.005	0.001	
B375706		<0.001	<0.005	<0.001	
B375707		<0.001	<0.005	<0.001	
B375708		0.692	<0.005	<0.001	
B375709		<0.001	<0.005	<0.001	
B375710		0.013	<0.005	0.002	
B375711		0.006	<0.005	0.002	
B375712		0.003	<0.005	0.001	
B375713		0.001	<0.005	<0.001	
B375714		0.001	<0.005	0.002	
B375715		0.001	<0.005	0.001	
B375716		0.002	<0.005	<0.001	
B375717		0.010	<0.005	<0.001	



# ALS Chemex

**EXCELLENCE IN ANALYTICAL CHEMISTRY**

ALS Canada Ltd.

212 Brooksbank Avenue  
North Vancouver BC V7J 2C1

Phone: 604 984 0221 Fax: 604 984 0218 www.alschemex.com

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

Page: 1  
Finalized Date: 25-JUL-2005  
Account: MTT

## CERTIFICATE VA05057497

Project: Convert

P.O. No.:

This report is for 8 Soil samples submitted to our lab in Vancouver, BC, Canada on 15-JUL-2005.

The following have access to data associated with this certificate:

AL ARCHER  
VANCOUVER OFFICE

DOUG EATON  
BILL WENZYNOWSKI

JOAN MARIACHER

## 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
ME-ICP41	34 Element Aqua Regia ICP-AES	ICP-AES

To: STRATEGIC METALS LTD.  
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: \_\_\_\_\_



# ALS Chemex

**EXCELLENCE IN ANALYTICAL CHEMISTRY**

ALS Canada Ltd.  
 212 Brooksbank Avenue  
 North Vancouver BC V7J 2C1  
 Phone: 604 984 0221 Fax: 604 984 0218 www.alschemex.com

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

Page: 2 - A  
 Total pages: 2 (A - C)  
 Finalized Date: 25-JUL-2005  
 Account: MTT

Project: Convert

**CERTIFICATE OF ANALYSIS VA05057497**

Sample Description	Method Analyte Units LOR	WEI-21	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
		Recvd Wt.	Ag	Al	As	B	Ba	Be	Bi	Ca	Cd	Co	Cr	Cu	Fe	Ga
		kg	ppm	%	ppm	ppm	ppm	ppm	ppm	%	ppm	ppm	ppm	ppm	%	ppm
		0.02	0.2	0.01	2	10	10	0.5	2	0.01	0.5	1	1	0.01	10	
CV-EM-1		0.42	1.0	1.32	50	<10	400	0.7	2	0.94	2.2	65	32	51	3.49	<10
CV-EM-2		0.40	0.3	1.24	18	<10	750	<0.5	<2	0.28	<0.5	11	24	52	2.58	<10
CV-EM-3		0.36	0.3	1.26	11	<10	330	<0.5	<2	0.33	<0.5	8	23	31	2.26	<10
CV-EM-4		0.36	0.3	1.24	10	<10	540	<0.5	2	0.23	<0.5	7	22	30	2.37	<10
CV-GS-1		0.32	0.9	2.08	39	<10	330	0.5	2	0.05	<0.5	4	22	106	3.88	10
CV-GS-2		0.40	0.4	2.00	32	<10	230	<0.5	<2	0.20	<0.5	5	25	79	4.28	10
CV-GS-3		0.34	1.8	1.26	20	<10	200	0.5	2	0.28	4.0	8	28	52	2.36	<10
CV-GS-4		0.28	0.3	1.03	22	<10	100	<0.5	<2	0.25	1.4	18	30	21	2.84	<10



# ALS Chemex

**EXCELLENCE IN ANALYTICAL CHEMISTRY**

ALS Canada Ltd.

212 Brooksbank Avenue

North Vancouver BC V7J 2C1

Phone: 604 984 0221 Fax: 604 984 0218 www.alschemex.com

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

Project: Convert

Page: 2 - B  
 Total pages: 2 (A - C)  
 Finalized Date: 25-JUL-2005  
 Account: MTT

## CERTIFICATE OF ANALYSIS VA05057497

Sample Description	Method Analyte Units LOR	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
		Hg	K	La	Mg	Mn	Mo	Na	Ni	P	Pb	S	Sb	Sc	Sr	Ti
		ppm	%	ppm	%	ppm	ppm	%	ppm	ppm	ppm	%	ppm	ppm	ppm	%
		1	0.01	10	0.01	5	1	0.01	1	10	2	0.01	2	1	1	0.01
CV-EM-1		<1	0.06	10	0.31	5290	7	0.01	107	1270	43	0.59	2	2	72	0.02
CV-EM-2		1	0.11	20	0.49	928	1	0.02	30	420	64	<0.01	<2	4	20	0.08
CV-EM-3		<1	0.09	20	0.50	722	1	0.01	22	430	43	0.01	<2	3	28	0.05
CV-EM-4		<1	0.05	20	0.46	417	1	0.01	20	500	28	<0.01	<2	3	17	0.07
CV-GS-1		<1	0.14	40	0.75	546	2	0.01	34	540	206	0.19	<2	4	80	<0.01
CV-GS-2		<1	0.05	40	0.90	1310	1	0.01	37	920	61	0.01	<2	3	30	<0.01
CV-GS-3		1	0.06	20	0.50	444	1	0.01	34	560	138	0.01	<2	3	22	0.06
CV-GS-4		<1	0.05	10	0.46	1525	2	0.01	27	830	82	0.01	<2	2	15	0.09



# ALS Chemex

EXCELLENCE IN ANALYTICAL CHEMISTRY

ALS Canada Ltd.

212 Brooksbank Avenue  
North Vancouver BC V7J 2C1

Phone: 604 984 0221 Fax: 604 984 0218 www.alschemex.com

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

Project: Convert

Page: 2 - C  
Total pages: 2 (A - C)  
Finalized Date: 25-JUL-2005  
Account: MTT

## CERTIFICATE OF ANALYSIS VA05057497

Sample Description	Method Analyte Units LOR	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41
		Tl	U	V	W	Zn
		ppm 10	ppm 10	ppm 1	ppm 10	ppm 2
CV-EM-1		<10	20	32	<10	395
CV-EM-2		<10	<10	38	<10	121
CV-EM-3		<10	<10	32	<10	114
CV-EM-4		<10	<10	32	<10	95
CV-GS-1		<10	<10	27	<10	238
CV-GS-2		<10	<10	26	<10	350
CV-GS-3		<10	<10	33	<10	1570
CV-GS-4		<10	<10	45	<10	349



# ALS Chemex

EXCELLENCE IN ANALYTICAL CHEMISTRY

ALS Canada Ltd.

212 Brooksbank Avenue  
North Vancouver BC V7J 2C1

Phone: 604 984 0221 Fax: 604 984 0218 www.alschemex.com

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

Finalized

Page: 1  
Date: 25-JUL-2005  
Account: MTT

## CERTIFICATE VA05057496

Project: Convert

P.O. No.:

This report is for 17 Rock samples submitted to our lab in Vancouver, BC, Canada on 15-JUL-2005.

The following have access to data associated with this certificate:

AL ARCHER  
VANCOUVER OFFICE

DOUG EATON  
BILL WENGZYNOWSKI

JOAN MARIACHER

## 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
Pb-AA46	Ore grade Pb - aqua regia/AA	AAS
Zn-AA46	Ore grade Zn - aqua regia/AA	AAS
ME-ICP41	34 Element Aqua Regia ICP-AES	ICP-AES
Ag-AA46	Ore grade Ag - aqua regia/AA	AAS

To: STRATEGIC METALS LTD.  
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: \_\_\_\_\_



# ALS Chemex

**EXCELLENCE IN ANALYTICAL CHEMISTRY**

ALS Canada Ltd.

212 Brooksbank Avenue

North Vancouver BC V7J 2C1

Phone: 604 984 0221 Fax: 604 984 0218 www.alschemex.com

o: STRATEGIC METALS LTD.

C/O ARCHER, CATHRO & ASSOCIATES (1981)

LIMITED

1016-510 W HASTINGS ST

VANCOUVER BC V6B 1L8

Project: Convert

Page: 2 - A

Total Pages: 2 (A - C)

Finalized Date: 25-JUL-2005

Account: MTT

## CERTIFICATE OF ANALYSIS VA05057496

Sample Description	Method Analyte Units LOR	WEI-21	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
		Recvd Wt. kg	Ag ppm	Al %	As ppm	B ppm	Ba ppm	Be ppm	Bi ppm	Ca %	Cd ppm	Co ppm	Cr ppm	Cu ppm	Fe %	Ga ppm
		0.02	0.2	0.01	2	10	10	0.5	2	0.01	0.5	1	1	1	0.01	10
B375701		1.88	>100	0.96	10	<10	30	<0.5	2	0.04	170.0	4	46	283	1.21	10
B375702		0.22	2.3	0.19	<2	<10	310	<0.5	<2	0.02	<0.5	15	1	81	>50	<10
B375703		0.42	2.5	0.13	2	<10	380	0.5	<2	0.01	<0.5	33	<1	30	>50	<10
B375704		0.18	0.3	0.38	8	<10	1540	1.1	4	0.09	2.8	527	<1	73	48.2	<10
B375705		1.76	0.3	0.37	6	<10	280	<0.5	<2	<0.01	<0.5	60	<1	70	>50	<10
B375706		0.68	0.4	0.39	4	<10	350	<0.5	2	0.11	<0.5	14	20	14	7.53	<10
B375707		0.60	0.5	0.32	6	<10	360	<0.5	<2	0.31	0.5	15	17	18	10.60	<10
B375708		1.94	3.5	2.01	26	<10	50	0.5	389	1.39	464	22	11	765	10.35	10
B375709		0.58	0.2	0.47	4	<10	340	<0.5	2	0.30	1.1	12	21	24	9.00	<10
B375710		1.60	0.2	0.24	8	<10	470	<0.5	6	0.01	3.3	1	37	102	4.23	<10
B375711		1.46	0.8	0.24	2	<10	590	<0.5	3	0.03	<0.5	115	2	14	36.6	<10
B375712		2.12	4.9	0.41	8	<10	6410	<0.5	7	0.11	8.4	471	16	55	21.0	<10
B375713		1.14	8.3	0.22	10	<10	10000	<0.5	11	0.08	12.4	859	2	71	21.4	<10
B375714		0.26	1.0	1.48	15	<10	1720	<0.5	3	0.04	4.7	106	22	78	9.23	<10
B375715		1.22	0.7	0.72	27	<10	480	<0.5	<2	0.12	0.6	20	23	60	8.49	<10
B375716		0.32	0.6	0.18	3	<10	550	<0.5	<2	0.04	1.9	100	5	14	32.1	<10
B375717		0.90	7.5	0.56	271	<10	100	<0.5	3	0.04	0.8	15	8	79	31.1	20



# ALS Chemex

**EXCELLENCE IN ANALYTICAL CHEMISTRY**

ALS Canada Ltd.

212 Brooksbank Avenue

North Vancouver BC V7J 2C1

Phone: 604 984 0221 Fax: 604 984 0218 www.alschemex.com

o: STRATEGIC METALS LTD.

C/O ARCHER, CATHRO & ASSOCIATES (1981)

LIMITED

1016-510 W HASTINGS ST

VANCOUVER BC V6B 1L8

Project: Convert

Page: 2 - B

Total pages: 2 (A - C)

Finalized Date: 25-JUL-2005

Account: MTT

## CERTIFICATE OF ANALYSIS VA05057496

Sample Description	Method Analyte Units LOR	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
		Hg	K	La	Mg	Mn	Mo	Na	Ni	P	Pb	S	Sb	Sc	Sr	Ti
		ppm	%	ppm	%	ppm	ppm	%	ppm	ppm	ppm	%	ppm	ppm	ppm	%
		1	0.01	10	0.01	5	1	0.01	1	10	2	0.01	2	1	1	0.01
B375701		111	0.01	<10	0.07	112	2	<0.01	17	100	>10000	4.11	341	1	51	<0.01
B375702		2	0.01	<10	0.01	1085	1	<0.01	28	100	752	0.55	<2	<1	2	<0.01
B375703		1	0.01	<10	<0.01	4090	3	<0.01	60	110	862	0.56	<2	<1	2	<0.01
B375704		1	0.13	<10	<0.01	>50000	1	0.01	217	220	260	0.10	<2	<1	153	<0.01
B375705		<1	0.02	<10	<0.01	13650	1	<0.01	43	140	78	0.73	<2	<1	10	<0.01
B375706		1	0.12	10	0.15	2640	<1	0.01	34	610	32	0.11	7	2	11	<0.01
B375707		<1	0.12	20	0.25	3600	<1	0.01	37	500	90	0.10	<2	3	14	<0.01
B375708		<1	0.02	<10	0.08	937	<1	0.11	16	430	25	8.68	<2	1	78	0.04
B375709		<1	0.15	20	0.30	2740	<1	0.01	31	590	37	0.10	<2	3	10	<0.01
B375710		<1	0.07	10	0.01	73	1	0.01	4	570	51	0.08	<2	1	9	0.01
B375711		<1	0.13	<10	0.01	35500	<1	0.02	152	60	23	0.09	<2	1	84	<0.01
B375712		<1	0.23	<10	<0.01	>50000	1	0.06	1140	270	29	0.07	<2	2	245	0.01
B375713		<1	0.63	<10	<0.01	>50000	1	0.10	544	320	35	0.06	<2	1	744	<0.01
B375714		<1	0.14	30	0.51	45300	1	0.02	218	540	39	0.02	<2	3	39	<0.01
B375715		<1	0.09	10	0.19	3340	2	0.01	36	360	83	0.04	2	2	12	0.02
B375716		<1	0.07	10	0.01	31800	<1	0.01	133	460	77	0.08	<2	1	69	<0.01
B375717		<1	0.04	<10	0.05	1415	1	0.01	77	300	1500	0.10	4	1	8	<0.01



# ALS Chemex

**EXCELLENCE IN ANALYTICAL CHEMISTRY**

ALS Canada Ltd.

212 Brooksbank Avenue

North Vancouver BC V7J 2C1

Phone: 604 984 0221 Fax: 604 984 0218 www.alschemex.com

TO: STRATEGIC METALS LTD.

C/O ARCHER, CATHRO & ASSOCIATES (1981)

LIMITED

1016-510 W HASTINGS ST

VANCOUVER BC V6B 1L8

Project: Convert

Page: 2 - C

Total Pages: 2 (A - C)

Finalized Date: 25-JUL-2005

Account: MTT

## CERTIFICATE OF ANALYSIS VA05057496

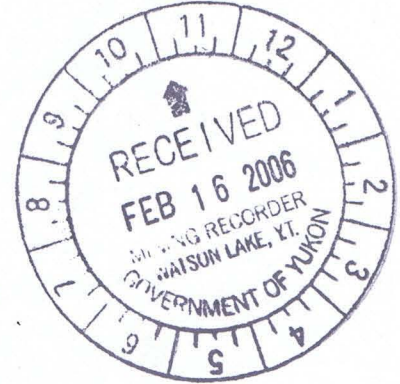
Sample Description	Method Analyte Units LOR	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	ME-ICP41	Ag-AA46	Pb-AA46	Zn-AA46
		Tl ppm	U ppm	V ppm	W ppm	Zn ppm	Ag ppm	Pb %	Zn %
		10	10	1	10	2	1	0.01	0.01
B375701		<10	<10	12	10	>10000	411	12.30	4.09
B375702		10	<10	7	<10	1940			
B375703		10	<10	6	<10	1785			
B375704		20	10	5	<10	2160			
B375705		10	<10	6	<10	952			
B375706		<10	<10	6	<10	180			
B375707		<10	<10	8	<10	203			
B375708		<10	<10	18	<10	>10000			6.41
B375709		<10	<10	8	<10	283			
B375710		<10	<10	17	<10	445			
B375711		20	<10	6	<10	2430			
B375712		70	10	15	<10	9250			
B375713		100	30	4	<10	5700			
B375714		20	<10	22	<10	2130			
B375715		<10	<10	16	<10	706			
B375716		10	<10	6	<10	2720			
B375717		<10	<10	34	<10	3200			

ARCHER, CATHRO & ASSOCIATES (1981) LIMITED  
1016 – 510 West Hastings Street  
Vancouver, B.C. V6B 1L8

Telephone: 604-688-2568

Fax: 604-688-2578

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 Convert 11-30 mineral claims on Claim Sheet 105B/5 is accurate.

  
Joan Mariacher

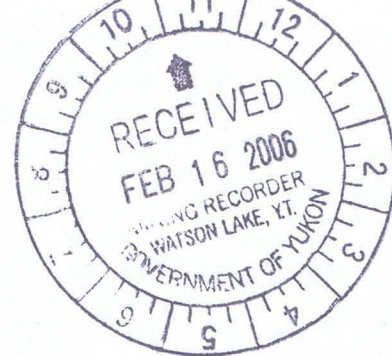
Sworn before me at Vancouver, B.C.

this 14th day of February 2006.



Notary Public, Yukon Territory

Statement of Expenditures  
Convert 11-30 Mineral Claims  
February 14, 2006



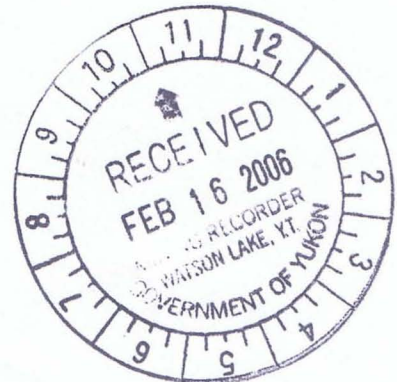
Labour

D. Eaton – geologist- June – July – 6 hours at \$70/hr	\$ 449.40
B. Wengzynowski – geologist – June –February – 81 hours at \$70/hr	6,066.90
B. Gelber – geologist – February – 12 1/2 hours at \$50/hr	668.75
S. Eaton – field assistant – June-July – 10 days at \$190/day	2,033.00
W. Huston – field assistant – July – 9 days at \$160/day	1,540.80
D. Arnold-Wallinger – field assistant – July - 8 1/2 days at \$150/day	1,364.25
L. Corbett – June – September – 14 hours at \$60/hr	898.80
J. Mariacher – July – February – 20 3/4 hours at \$58/hr	<u>1,287.75</u>
	14,309.65

Expenses

Field room and board – 39 7/8 days at \$125	5,333.28
Capital Helicopters – 8 hours at \$950 plus fuel	8,623.36
ALS Chemex	553.32
North 60 – Jet B	572.19
Freight and fuel	<u>95.38</u>
	15,177.53
	<u>\$29,487.18</u>

CHARTERER <i>Archer Catrow</i>		PILOT <i>Deanna Wapshinsky</i>		DATE <i>July 2/05</i>	
		SIGNATURE <i>[Signature]</i>		AIRCRAFT <i>C-640F</i>	
		CHEQUE	CASH	CHARGE <i>5766</i>	
TELEPHONE	POSTAL CODE	PURCHASE ORDER NO.		BASE	
CUSTOMER FUEL		FLIGHT ITINERARY		PASS	TIME
LITRES FROM		<i>WHSO → Bottle CK → 510 → Morley R → Shuttle → SLING → WHSO</i>			<i>4 7</i>
LITRES FROM					
CAPITAL FUEL					
<i>285</i>	LITRES FROM <i>WHSO</i>	@ \$ <i>313.50</i>			
LITRES FROM		@ \$			
LITRES FROM		@ \$			
OTHER CHARGES	DESCRIPTION	AMOUNT			
		RATE PER HOUR \$ <i>950.00</i>		TOTAL	<i>4 7</i>
		PASSENGERS			
PILOT EXPENSES	DESCRIPTION	AMOUNT		FLIGHT	<i>312.53 \$ 4465.00</i>
				FUEL	<i>21.98 \$ 313.50</i>
		<i>Comment A</i>		OTHER	<i>\$ 4778.50</i>
				GST	<i>\$ 334.50</i>
AUTHORIZED BY (print)				TOTAL	<i>\$ 5113.00</i>
SIGNATURE <i>x Rouna C for Bill W</i>					



CHARTERER <i>Archer Capital</i>		PILOT <i>Debra Washington</i>		DATE <i>July 9/05</i>	
		SIGNATURE <i>[Signature]</i>		AIRCRAFT <i>C SAHF</i>	
		CHEQUE		CASH	
				CHARGE <i>BH06</i>	
TELEPHONE		POSTAL CODE		PURCHASE ORDER NO.	
				BASE	
CUSTOMER FUEL		FLIGHT ITINERARY		PASS	TIME
LITRES FROM		<i>WHSE → BUTTE CK → DEMOIS →</i>			<i>71</i>
LITRES FROM		<i>MOLY CK → MOTTIN → WHSE</i>			
		<i>494.00</i>			
CAPITAL FUEL					
<i>285</i> LITRES FROM <i>Whse @ \$ 313.50</i>		<i>1 Convert - 3780.71</i>			
LITRES FROM @ \$		<i>1 Only - 3777.79</i>			
LITRES FROM @ \$					
OTHER CHARGES	DESCRIPTION	AMOUNT			
		RATE PER HOUR <i>\$ 950.00</i>		TOTAL	<i>71</i>
		PASSENGERS		FLIGHT	<i>472.50 \$ 6745.00</i>
PILOT EXPENSES	DESCRIPTION	AMOUNT		FUEL	<i>21.95 \$ 313.50</i>
	<i>amen - Convert - 3770.36 \$</i>	<i>3.3 hr</i>		OTHER	<i>\$ 7058.50</i>
	<i>only - 4048.24 \$</i>			GST	<i>\$ 494.10</i>
AUTHORIZED BY (print)				TOTAL	<i>\$ 7552.60</i>
SIGNATURE <i>[Signature]</i>					





**ALS Chemex**  
**EXCELLENCE IN ANALYTICAL CHEMISTRY**

ALS Canada Ltd.  
 212 Brooksbank Avenue  
 North Vancouver BC V7J 2C1  
 Phone: 604 984 0221 Fax: 604 984 0218 www.alschemex.com

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

**INVOICE NUMBER 1232037**

BILLING INFORMATION	
Certificate:	<b>VA05057496</b>
Account:	<b>MTT</b>
Date:	<b>25-JUL-2005</b>
Project:	Convert <i>W</i>
P.O. No.:	
Quote:	
Terms:	<b>Net 30 Days</b> C1
Comments:	

ANALYSED FOR			UNIT	TOTAL
QUANTITY	CODE	DESCRIPTION	PRICE	
1	BAT-01	Administration Fee	22.50	22.50
17	PREP-31	Crush, Split, Pulverize	4.50	76.50
17.28	PREP-31	Weight Charge (kg) - Crush, Split, Pulverize	0.23	3.97
17	ME-ICP41	34 Element Aqua Regia ICP-AES	4.88	82.96
17	GEO-AR01	Aqua regia digestion	1.88	31.96
1	Ag-AA46	Ore grade Ag - aqua regia/AA	2.81	2.81
2	ASY-AR01	Assay Aqua Regia Digestion	3.38	6.76
1	Pb-AA46	Ore grade Pb - aqua regia/AA	2.81	2.81
2	Zn-AA46	Ore grade Zn - aqua regia/AA	2.81	5.62

SUBTOTAL (CAD) \$ 235.89

R100938885 GST \$ 16.51

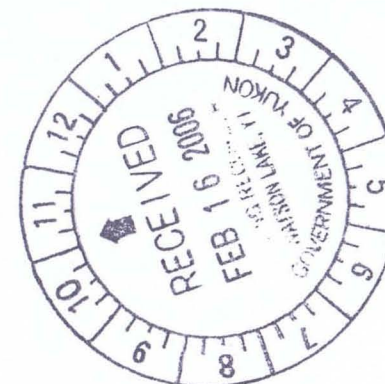
**TOTAL PAYABLE (CAD) \$ 252.40**

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

Payment may be made by: Cheque or Bank Transfer

Beneficiary Name: ALS Canada Ltd.  
 Bank: Royal Bank of Canada  
 SWIFT: ROYCCAT2  
 Address: Vancouver, BC, CAN  
 Account: 003-00010-1001098

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





# ALS Chemex

EXCELLENCE IN ANALYTICAL CHEMISTRY

ALS Canada Ltd.

212 Brooksbank Avenue  
North Vancouver BC V7J 2C1

Phone: 604 984 0221 Fax: 604 984 0218 www.alschemex.com

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

INVOICE NUMBER 1232039

### BILLING INFORMATION

Certificate: **VA05057497**  
Account: **MTT**  
Date: **25-JUL-2005**  
Project: Convert ↗  
P.O. No.:  
Quote:  
Terms: **Net 30 Days** C1  
Comments:

ANALYSED FOR			UNIT	TOTAL
QUANTITY	CODE	DESCRIPTION	PRICE	
8	PREP-41	Dry, Sieve (180 um) Soil	0.94	7.52
2.88	PREP-41	Weight Charge (kg) - Dry, Sieve (180 um) Soil	1.31	3.77
8	ME-ICP41	34 Element Aqua Regia ICP-AES	4.88	39.04
8	GEO-AR01	Aqua regia digestion	1.88	15.04

SUBTOTAL (CAD) \$ 65.37

R100938885 GST \$ 4.58

**TOTAL PAYABLE (CAD) \$ 69.95**

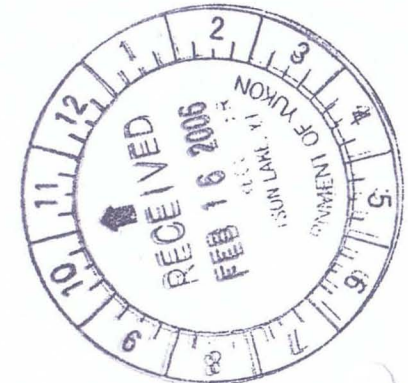
To: STRATEGIC METALS LTD.  
ATTN: ACCOUNTS PAYABLE  
C/O ARCHER, CATHRO & ASSOCIATES (1981) LIMITED  
1016-510 W HASTINGS ST  
VANCOUVER BC V6B 1L8

Payment may be made by: Cheque or Bank Transfer

Beneficiary Name: ALS Canada Ltd.  
Bank: Royal Bank of Canada  
SWIFT: ROYCCAT2  
Address: Vancouver, BC, CAN  
Account: 003-00010-1001098

Please Remit Payments To :  
**ALS Chemex**

212 Brooksbank Avenue  
North Vancouver BC V7J 2C1





# ALS Chemex

**EXCELLENCE IN ANALYTICAL CHEMISTRY**

ALS Canada Ltd.

212 Brooksbank Avenue  
North Vancouver BC V7J 2C1

Phone: 604 984 0221 Fax: 604 984 0218 www.alschemex.com

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

**INVOICE NUMBER 1258290**

### BILLING INFORMATION

Certificate: **VA05066033**  
Account: **MTT**  
Date: **22-AUG-2005**  
Project: Convert *✓*  
P.O. No.:  
Quote:  
Terms: **Net 30 Days** C1  
Comments:

ANALYSED FOR			UNIT	TOTAL
QUANTITY	CODE	DESCRIPTION	PRICE	
17	PGM-ICP23	Pt, Pd, Au 30g FA ICP	12.19	207.23
1	ME-MS62	Trace level ICP-MS analysis	4.13	4.13
1	GEO-4A02	Four Acid Dig - MS Elements	4.50	4.50

SUBTOTAL (CAD) \$ 215.86

R100938885 GST \$ 15.11

**TOTAL PAYABLE (CAD) \$ 230.97**

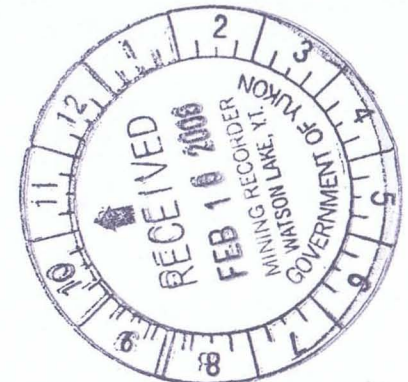
To: **STRATEGIC METALS LTD.**  
ATTN: ACCOUNTS PAYABLE  
C/O ARCHER, CATHRO & ASSOCIATES (1981) LIMITED  
1016-510 W HASTINGS ST  
VANCOUVER BC V6B 1L8

Payment may be made by: Cheque or Bank Transfer

Beneficiary Name:	ALS Canada Ltd.
Bank:	Royal Bank of Canada
SWIFT:	ROYCCAT2
Address:	Vancouver, BC, CAN
Account:	003-00010-1001098

Please Remit Payments To :  
**ALS Chemex**

212 Brooksbank Avenue  
North Vancouver BC V7J 2C1



# ARCHER, CATHRO & ASSOCIATES (1981) LIMITED



In Account With

Project CONVERT PROJECT  
 Date JUNE 2005

**LABOUR**

Field	D. EATON - 3 Hrs AT 70/Hr	210.00	
	B. WENZYNOWSKI - 6 Hrs AT 70/Hr	420.00	
	S. EATON - 1 1/2 DAY AT 304/DAY	456.00	

Accounting and Expediting	J. Mariacher - hrs at \$58/hr			
	L. CORBETT - 6 Hrs AT 60/Hr	360.00		1446.00

**OTHER SERVICES**

Room and Board in Whitehorse	1 1/2 days at \$90 / day	135.00		
Field equipment from AC stock	SHELLS	14.00		
Printing	Photocopies 17 @ .15	2.55		17.55
Rentals from AC				

**EXPENSES**

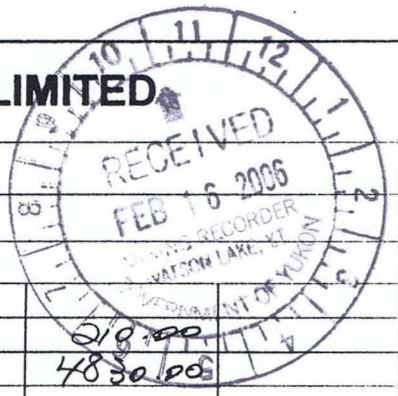
Petty Cash				
Telephone				
JAN M EXPENSES	D3	311.76		
B. WENZ EXPENSES	DI	69.98		
MAC'S FIREWEED		5.05		
NORTH 60 RETRO	6Y	664.76		
MACPHELAN RENTALS - BY 30817		48.48		
CAPITOL HELICOPTERS		4778.50		
RIVERDALE SUBER A		139.86		7480.19

Management 6% on Expenses on Field A/C		448.81		
		0		448.81
		9526.55		9526.55
GST (R100247667) 7% on		666.86		70193.41

# ARCHER, CATHRO & ASSOCIATES (1981) LIMITED

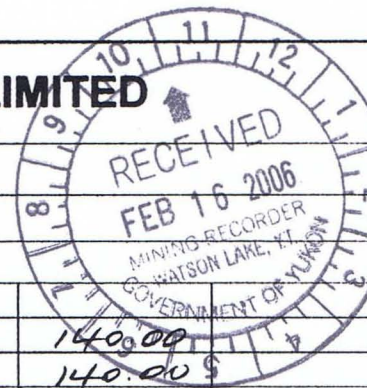
In Account With

Project CONVERT PROJECT  
Date JULY 31, 2005



LABOUR			
Field	D. EATON - 3 HRS AT 70/HR	210.00	
	B. WENZELHANSKI - 69 HRS AT 70/HR	4830.00	
	S. EATON - 8 1/2 DAYS AT 304/DAY	2584.00	
	D. ARNOLD-WALLINER - 8 1/2 DAYS AT 240/DAY	2040.00	
	W. HUSTON - 9 DAYS AT 256/DAY	2304.00	
Accounting and Expediting	J. Mariacher - 4 1/2 hrs at \$58/hr	261.00	
	L. CORBETT 6 60	360.00	
	J. THOMPSON-GRADISH 1/2 HR AT 28/HR	14.00	12603.00
OTHER SERVICES			
Room and Board in Whitehorse	9 days at \$90/day	810.00	
Field equipment from AC stock	30 DAY AT 50/DAY + 39.00	1539.00	
Printing	Photocopies 58 @ .15	8.70	2357.70
Rentals from AC			
EXPENSES			
Petty Cash	89.33 dx	89.33	
Telephone			
	GREYHOUND COURIERS	40.66	
	CAPITAL HELICOPTER	3280.71	
	MAC'S FIREWEEED	11.45	
	NORTH CO PETRO 62	4130.00	
	BUILDERS SUPPLYLANDS	29.00	
	JOHN M EXPENSES - 4590.01 + 175803	197.48	3518.65
Management	6% on Expenses on Field A/C	211.14	
		33.10	244.32
			18723.65
GST (R100247667)	7% on 18723.65		1310.66
			20034.31

# ARCHER, CATHRO & ASSOCIATES (1981) LIMITED



In Account With

Project **CONVERT PROJECT**  
 Date **SEPTEMBER 2005**

**LABOUR**

Field	B. WENZYNOWSKI - 2 HR AT 70 IHR AVE - 2 HR AT 70 IHR SEPT	140.00 140.00	
	L. COBBETT - 1 HR AT 60 IHR AVE - 1 HR AT 60 IHR SEPT	60.00 60.00	
Accounting and Expediting	J. Mariacher - 6 1/4 hrs at \$58/hr AVE 134 SEPT	377.00 101.50	878.50

**OTHER SERVICES**

Room and Board in Whitehorse	days at \$90 / day		
Field equipment from AC stock			
Printing	Photocopies @.15		
Rentals from AC			

**EXPENSES**

Petty Cash			
Telephone			
	INTEGRAPHICA	4.68	
	JOAN M EXDENE 122	21.74	26.42
Management	6% on Expenses on Field A/C	1.59 0	1.59 906.51
GST (R100247667)	7% on 906.51		63.46 969.97