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 ROCK GEOCHEMICAL SAMPLING

at the

RYE PROPERTY

Rye 1-8 YC89923-YC89930

NTS 105J/16
Latitude 62°56′N; Longitude 130°07′W

in

Watson Lake Mining District
Yukon Territory

prepared by

Archer, Cathro & Associates (1981) Limited

for

STRATEGIC METALS LTD.

by

S. Eaton, B.Sc. Geology, GIT

November 2010

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FIGURES

TABLES

INTRODUCTION

The Rye property covers a system of tin±lead±zinc±silver±copper±gold bearing veins that lie near the North Canol Road in eastern Yukon. The Rye property is owned by Strategic Metals Ltd.

This report describes a field program conducted on July 31, 2010 by Archer, Cathro & Associates (1981) Limited on behalf of Strategic Metals. The program consisted of prospecting and rock geochemical sampling performed under the supervision of the author. Appendix I contains the author's Statement of Qualifications.

PROPERTY LOCATION, CLAIM DATA AND ACCESS

The Rye property consists of eight contiguous quartz claims, which are located in eastern Yukon at latitude 62°56′ north and longitude 130°07′ west on NTS map sheet 105J/16 (Figure 1). The property covers an area of approximately 160 hectares (1.6 sq. km.). The claims are all registered with the Watson Lake Mining Recorder in the name of Archer Cathro, which holds them in trust for Strategic Metals. Specifics concerning claim registration are tabulated below, while the locations of individual claims are shown on Figure 2.

Claim Name	Grant Number	Expiry Date*
Rye 1-8	YC89923-YC89930	December 31, 2010

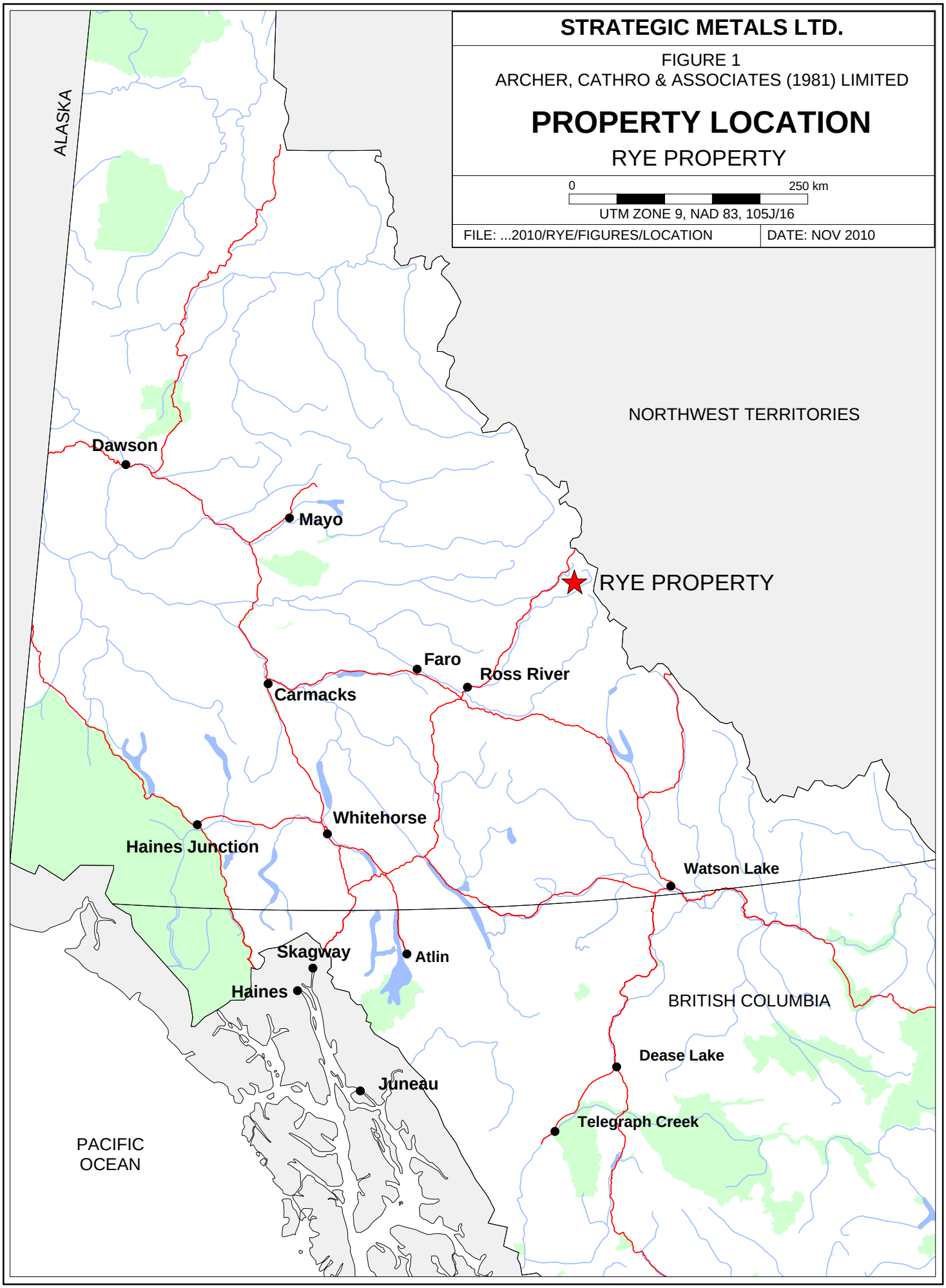
*Expiry date does not include 2010 work which has not yet been filed for assessment credit.

Access to and from the property was provided by a Hughes 500D helicopter operated by Kluane Airways from the Inconnu Fishing Lodge on McEvoy Lake, which is located 125 km southwest of the property.

The Rye property lies about 160 km northeast of the community of Ross River, the nearest supply centre. The closest road access is from the North Canol Road, which at its nearest point is 14 km northeast of the property. A summer ferry in Ross River provides service to the North Canol Road.

HISTORY AND PREVIOUS WORK

Tin-lead-zinc-silver-copper veins were discovered within the current bounds of the Rye property by Hudson Bay Mining in 1950, as part of a regional exploration program that subsequently identified the nearby Mac Pass camp of sedex zinc-lead-barite deposits (Deklerk and Traynor, 2005). Since then, exploration programs have been carried out over the veins and adjacent ground by several different operators. Very few results from these programs have been published. Table I summarizes the available data.


STRATEGIC METALS LTD.
FIGURE 1
ARCHER, CATHRO & ASSOCIATES (1981) LIMITED
PROPERTY LOCATION
RYE PROPERTY
0
250 km
UTM ZONE 9, NAD 83, 105J/16
FILE: ...2010/RYE/FIGURES/LOCATION
DATE: NOV 2010
ALASKA
NORTHWEST TERRITORIES
BRITISH COLUMBIA
PACIFIC OCEAN
RYE PROPERTY
Dawson
Mayo
Faro
Ross River
Carmacks
Whitehorse
Haines Junction
Watson Lake
Skagway
Atlin
Haines
Dease Lake
Juneau
Telegraph Creek

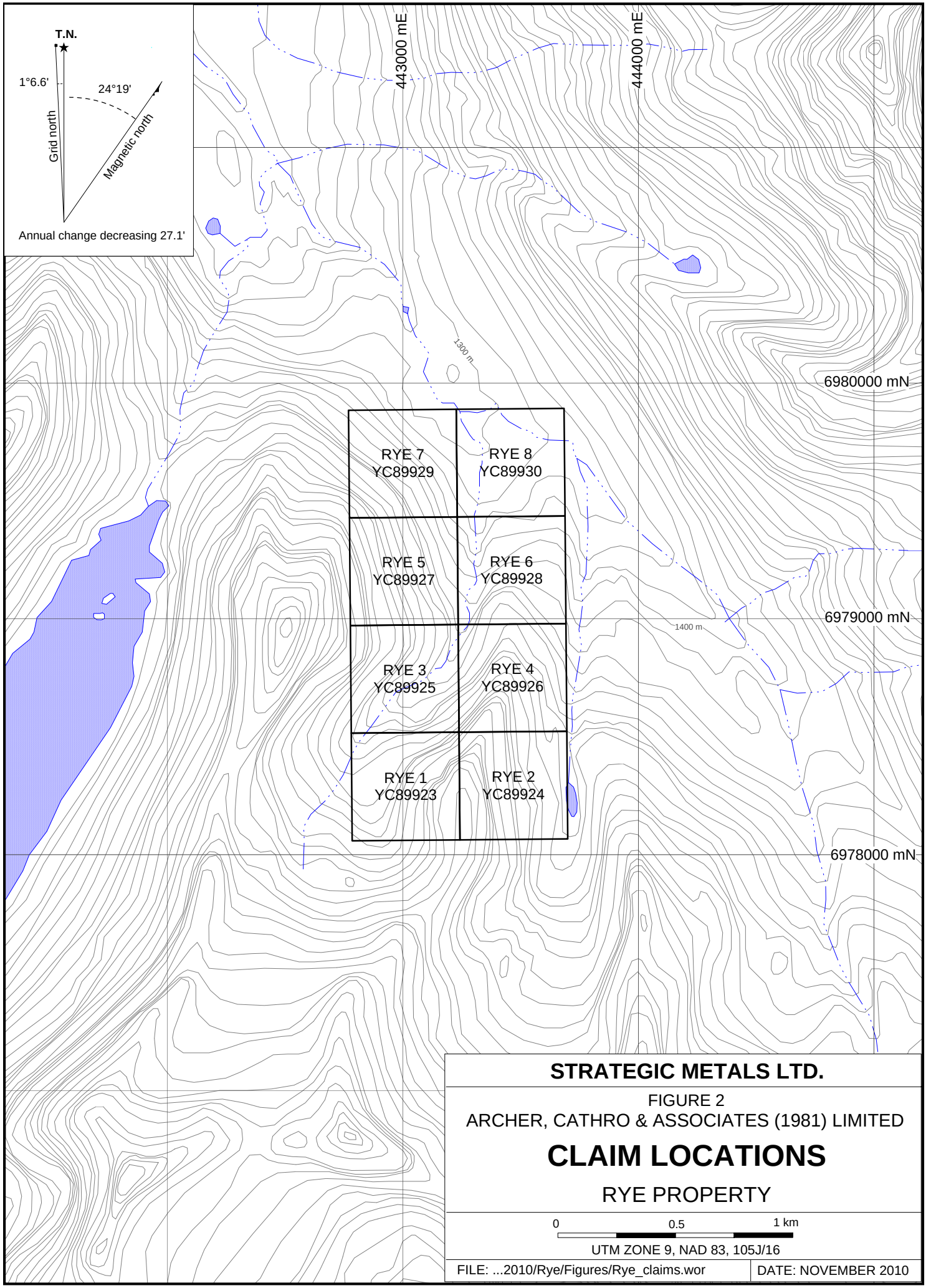


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FIGURE 2

ARCHER, CATHRO & ASSOCIATES (1981) LIMITED

CLAIM LOCATIONS

RYE PROPERTY

0 0.5 1 km

UTM ZONE 9, NAD 83, 105J/16

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Table I – Historical Work Summary (*after Deklerk and Traynor, 2005*)

Year of Work (Source)	Operator	Property Name	Work Summary	Results
1950 (Minfile)	Hudson Bay Mining	Fuller	Geological mapping Sampling	No record available
1951 (Minfile)	Hudson Bay Mining	Fuller	Drilling	No record available
1962 (Minfile)	W.S. Kennedy	Itsi	No record available	No record available
1966 (Minfile)	Northern Empire Mines Ltd.	Tara	Geological mapping Sampling	No record available
1970 (Minfile)	Northern Empire Mines Ltd.	Tara	Drilling (32.6 m in 3 holes)	No record available
1976 (Minfile)	D. Reinke	Lou	Chip sampling	4.1% Sn, 3.7% Pb, 2.6% Zn, 106.3 g/t Ag and 0.2% Cu over 3.7 m (Minfile is only record available)
1979 (Minfile)	S. Young	RY	Trenching	No record available
1980 (Minfile, 090779)	Silver Sceptre Resources Ltd.	RY	Acquired RY claims Geological mapping Soil sampling Chip sampling Magnetic survey	Outlined two major and several minor Sn-Pb-Zn-Ag-Cu-As soil anomalies; Chip samples across 3 veins returned encouraging results (see Mineralization Section); Mag survey identified 2 unexplained anomalies
2009	Strategic Metals Ltd.	Rye	Staked Rye claims	n/a

Silver Sceptre Resources Ltd. is the sole operator that published a detailed report outlining its activities and results. The only other available results are from the 1976 chip sampling program, which reportedly yielded 4.1% tin, 2.7% lead, 2.6% zinc, 3.1 opt silver and 0.2% copper over 3.7 m from a mineralized vein (Deklerk and Traynor, 2005).

Silver Sceptre's 1980 exploration program comprised geological mapping, rock chip sampling, grid soil sampling and a magnetometer survey (Giroux and Montgomery, 1981). Chip samples from three mineralized veins returned several strong tin, lead and silver values with moderate zinc and copper. Two areas of moderately to strongly anomalous tin, lead, zinc, silver, copper and arsenic soil geochemistry were outlined, along with several scattered anomalies. The eastern edge of one of the main soil anomalies coincides with the mineralized veins. The magnetometer grid survey failed to identify the known veins; however it did delineate two highs within the south-west corner of the grid, which are unexplained. That survey also delineated an intrusive-sedimentary contact in the northeastern corner of the grid.

GEOMORPHOLOGY

The Rye property is situated in the Itsi Range of the Selwyn Mountains. It is drained by creeks that flow into Fuller Lake and South MacMillan River, which ultimately connect to the Pacific Ocean via the MacMillan and Yukon Rivers.

Local topography is alpine to subalpine. Elevations range from about 1300 to 1800 m above sea level (asl). Outcrop exposures are abundant at higher elevations, especially along ridge tops, but are generally restricted to creek cuts at lower elevations. Approximately half of the property lies above treeline, which is at about 1500 m asl. Slopes above that elevation are vegetated primarily with low lying grasses and staghorn moss. The density and size of vegetation gradually increases on lower slopes, and the valley floors are well treed with mature black spruce. Understorey consists of low shrubs and moss.

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

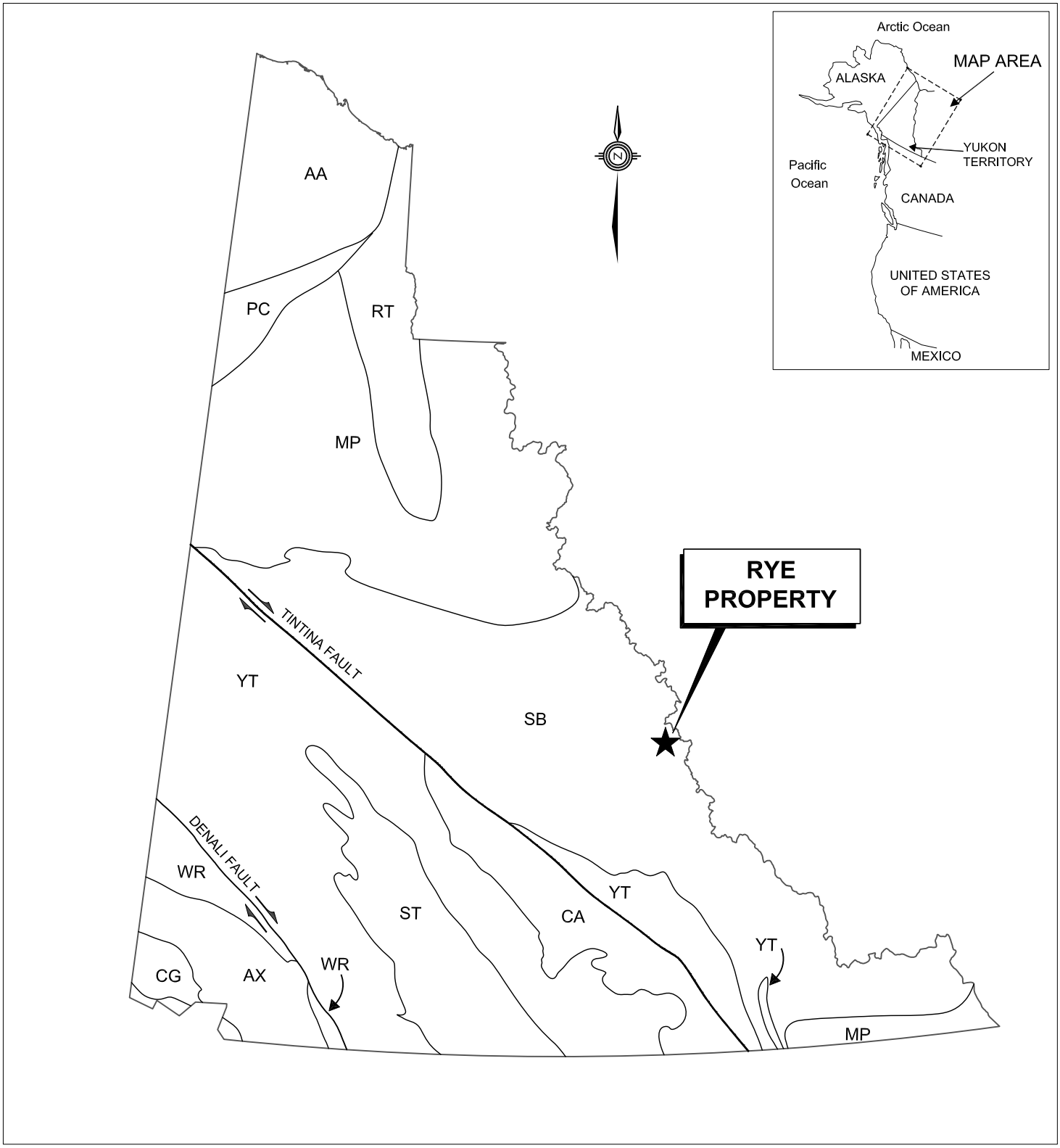
REGIONAL GEOLOGY

In 1961, the Geological Survey of Canada published a geological map of the Sheldon Lake map sheet (NTS 105J) at a 1:250,000 scale (Roddick and Green, 1961). In 2003, Gordey and Makepeace incorporated this data as part of a Yukon-wide geological compilation and updated the lithological names in the vicinity of the Rye property. The following geological descriptions are based on the published data.

The Rye property is located within Selwyn Basin (Figure 3), a tectonic element comprising deep water clastic rocks, chert and minor carbonate accumulated along the North American continental margin during Paleozoic time (Pigage, 2004). In the Rye property area, the package comprises Ordovician to Lower Devonian Road River Group, Devonian and Mississippian Earn Group and Mid-Cretaceous Selwyn Suite (Figure 4). Detailed descriptions of these units are provided in Table II.

Table II – Lithological Units (*after Gordey and Makepeace, 2003*)

Unit Name	Map Name	Age	Description
Selwyn Suite	mKgS	Mid-Cretaceous	Resistant, blocky, fine to coarse grained equigranular to porphyritic (K-feldspar) biotite quartz monzonite and granodiorite and minor quartz diorite; minor leuco-quartz monzonite and syenite.
Earn Group	DME2	Devonian and Mississippian	Silvery blue weathering black shale, argillite, cherty argillite and thin bedded chert; nodular and bedded barite; rare limestone.



ANCESTRAL NORTH AMERICA

- MP — Mackenzie Platform
- SB — Selwyn Basin
- RT — Richardson Trough

TERRANES

DISPLACED CONTINENTAL MARGIN

- AA — Arctic Alaska
- CA — Cassiar
- PC — Porcupine

PERICRATONIC TERRANES

- YT — Yukon-Tanana / Slide Mountain

ACCRETED TERRANES

- ST — Stikinia / Cache Creek
- AX — Alexander
- WR — Wrangellia
- CG — Chugach

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FIGURE 3

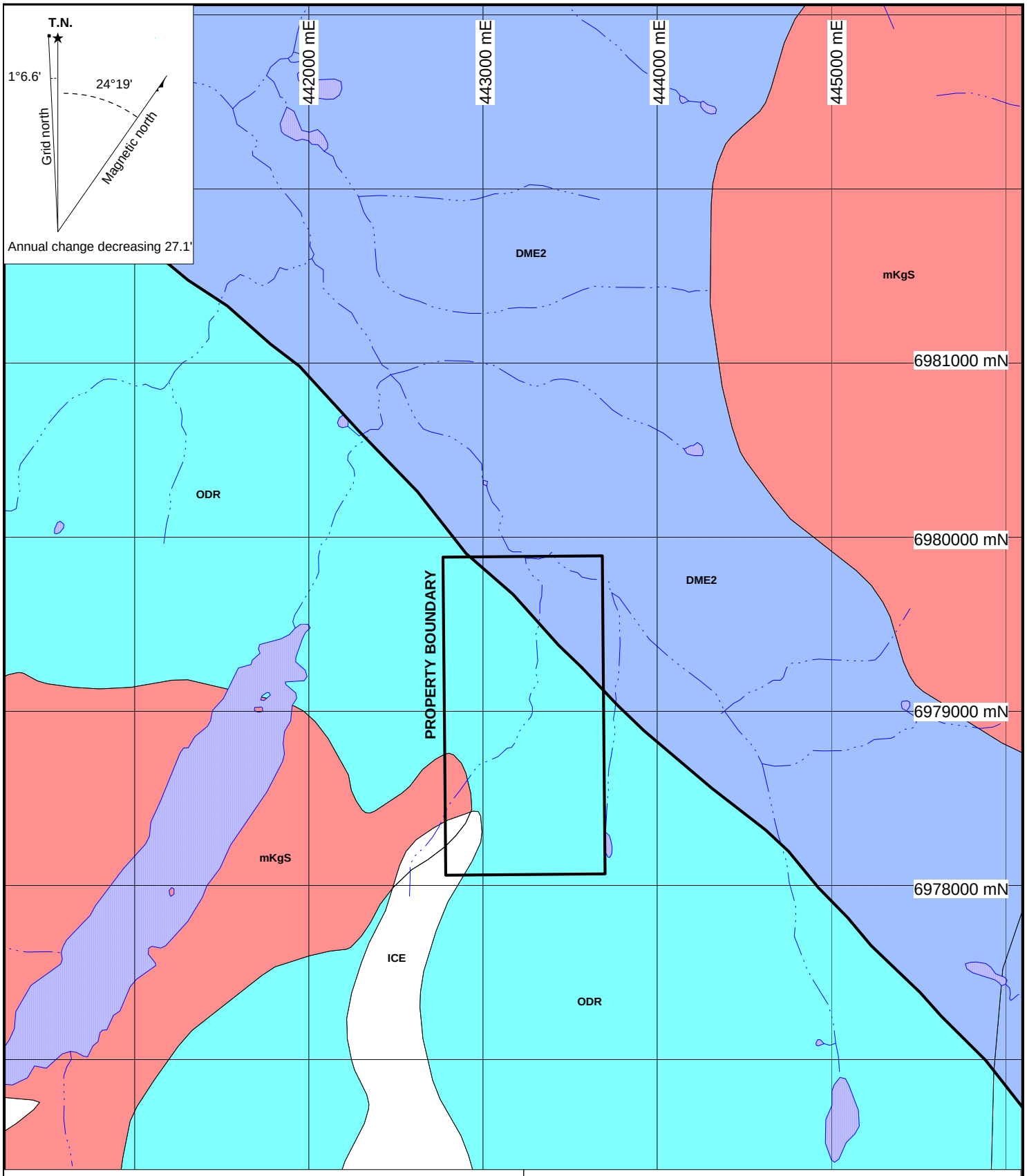
ARCHER, CATHRO & ASSOCIATES (1981) LIMITED

TECTONIC SETTING

RYE PROPERTY

0 100 200 300 km

DRAWN BY: M.Kammerer	PROJECT: RYE
FILE:P:\2010\RYE	DATE: 2010



mKgS — Mid-Cretaceous - Selwyn Suite
Resistant, blocky, fine to coarse grained equigranular to porphyritic (K-feldspasr) biotite quartz monzonite and granodiorite and minor quartz diorite; minor leuco-quartz monzonite and syenite.

DME2 — Devonian to Mississippian - Earn Group
Silvery blue weathering black shale, argillite, cherty argillite and thin bedded chert; nodular and bedded barite; rare limestone.

ODR — Ordovician to Lower Devonian - Road River Group
Black shale and chert.

Fault

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FIGURE 4
ARCHER, CATHRO & ASSOCIATES (1981) LIMITED

REGIONAL GEOLOGY

RYE PROPERTY

0 0.5 1 km

UTM ZONE 9, NAD 83, 105J/16

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Road River Group	ODR	Ordovician to Lower Devonian	Black shale and chert overlain by orange siltstone or buff platy limestone; locally contains beds as old as Middle Cambrian.

Earn Group is juxtaposed against Road River Group along a northwest-southeast trending normal fault. Two Selwyn Suite stocks cut these units to the northeast and southwest of the property.

PROPERTY GEOLOGY

Property-scale geological mapping was carried out by Silver Sceptre in 1980 (Giroux and Montgomery, 1981). Strategic Metals did not complete any mapping in 2010. The following geological descriptions are largely taken from Silver Sceptre's report.

Silver Sceptre did not differentiate between Earn Group and Road River Group shales and cherts, which collectively underlie most of the property (Figure 5). The proportion of shale to chert varies, but the lower part of the section (valley floor) is predominantly shale while the upper part (ridge tops) is mainly chert.

The shale is black to dark grey with individual layers varying from millimetres to centimetres thick. Pyrite and minor pyrrhotite occur along bedding planes and in quartz veins and fractures that cut bedding. Near surface these iron sulphides have oxidized, and rusty gossans were observed in several locations.

The chert varies from black to grey to white, and is often banded near vein zones.

The Selwyn Suite biotite granodiorite stocks to the southwest and northeast of the property are surrounded by deep red weathering aureoles of silicified and hornfelsed shale and chert.

The shales and cherts strike 110 to 135º and exhibit dips varying from steep northerly to 20º south. The sediments are cut by two main high-angle fracture sets. One set strikes between 010º and 035º while the other strikes between 050º and 075º.

MINERALIZATION

Four mineralized veins have been identified on the Rye property – three by previous operators (Veins 1 to 3) and one by Strategic Metals in 2010 (Vein 4). All of the veins lie within Road River Group cherts and shales, which are situated between a fault to the northeast and one of the stocks to the southwest. Mineralization comprises disseminated to blebby to banded, variably oxidized pyrite, pyrrhotite, galena, chalcopyrite and sphalerite in quartz-carbonate gangue. Vein and sample locations, along with a table of results, are provided on Figure 5. Sampling and Analytical Procedures are explained in Appendix II, Rock Sample Descriptions are given in Appendix III and Certificates of Analysis are provided in Appendix IV.

In 1980, Silver Sceptre chip sampled across Veins 1 to 3 in several locations. Results from the chip samples were mixed, ranging from background to strongly anomalous tin±lead±zinc±silver ±copper values (Giroux and Montgomery, 1981). No gold analyses were reported by Silver

T.N.
1°6.6'
24°19'
Grid north
Magnetic north
Annual change decreasing 27.1'

442000 mE
443000 mE
444000 mE
445000 mE
6981000 mN
6980000 mN
6979000 mN
6979200 mN

THICK BUSH
BLACK SHALE
QUARTZ VEIN
IRON GOSSAN
THICK BUSH
NO OUTCROP
TALUS
QUARTZ & GRANODIORITE
CHERT & BLACK SHALE
GRANODIORITE
BLACK SHALES & CHERT
GREY CHERT
CHERT
BUSH
BANDED BLACK SHALE & CHERT
SWAMP
OLD CAMP (APPROX)
Py & Po
BOULDER VEIN MATERIAL
APPROX. HORNFELSED ALTERATION ZONE
VEIN 1
VEIN 2
VEIN 3
VEIN 4
TALUS & OUTCROP
IRON STAIN GOSSAN
QUARTZ VEINS
MOSTLY CHERT
BEDDED SLATE & CHERT
BLACK SHALE
PROPERTY BOUNDARY

Sample	Length (m)	Au (g/t)	Ag (opt)	Pb (%)	Zn (%)	Cu (%)	As (%)	Sn (%)
301	1.6		1.14	0.02	0.02	0.524	4.90	<0.01
302	0.9		0.04	0.01	0.01	0.015	0.12	0.02
303	1.7		0.12	0.01	0.01	0.035	0.10	0.05
304	0.7		0.04	0.02	0.01	0.017	0.02	0.01
305	2.4		2.94	0.04	0.02	0.374	0.34	0.01
306	0.7		0.36	0.23	0.16	0.032	0.03	0.03
307	1.3		1.61	0.28	0.02	0.026	0.01	0.79
308	0.6		0.49	0.39	0.03	0.012	2.30	0.06
309	0.8		6.72	5.38	0.04	0.026	0.08	0.22
310	0.6		2.13	0.94	0.48	0.031	0.14	1.74
311	0.7		0.81	0.46	0.18	0.023	0.01	0.03
312	1.2		1.75	1.21	1.14	0.031	0.01	0.18
313	2.0		2.78	3.01	0.94	0.150	0.01	0.84
314	2.5		0.31	0.07	0.03	0.056	0.01	0.02
315	0.3		0.58	0.02	0.01	0.180	0.38	<0.01
320	0.8		6.72	0.09	0.05	1.660	7.10	<0.01
321	0.7		0.60	0.07	0.01	0.059	0.18	0.05
322	0.2		2.25	0.54	0.49	0.199	0.02	1.24
323	3.0		2.30	2.90	3.60	0.144	0.04	0.77
324	4.0		1.26	0.95	0.56	0.080	0.03	0.98
325	0.6		0.21	0.16	0.15	0.019	0.01	0.08
326	1.5		2.98	1.85	1.08	0.101	0.02	0.51
G285801	0.9	0.213	0.43	0.02	0.03	0.104		0.05
G285802	1.2	0.381	0.91	0.02	0.04	0.483		0.04
G285803	0.2	0.094	0.99	0.08	0.13	0.515		0.02
G285804	1.15	<0.005	0.06	0.01	0.01	0.021		0.02
G285805	0.45	0.005	0.03	0.00	0.02	0.012		0.01
G285806	1.0	0.847	2.15	0.05	0.03	0.566		0.18
G285807	0.9	0.013	0.96	0.03	0.01	0.124		0.07
G285808	1.0	<0.005	0.03	0.00	0.01	0.015		0.00
G285809	Grab	0.056	1.64	0.87	0.51	0.152		0.14
G285810	1.0	<0.005	0.48	0.34	0.09	0.031		0.36
G285811	1.35	0.013	1.98	3.75	2.97	0.085		0.73
G285812	1.05	<0.005	1.30	0.57	0.40	0.141		0.21
G285813	1.35	<0.005	1.05	0.36	0.03	0.017		1.10
G285814	Grab	0.005	3.60	1.32	2.32	1.620		2.91

323 - No description provided
313 - Oxidized chalcopyrite, galena, pyrite & pyrrhotite visible
324 - Oxidized chalcopyrite, galena, pyrite & pyrrhotite visible
325-326 - Oxidized chalcopyrite, galena, pyrite & pyrrhotite visible
G285810-812 - Rusty, unmineralized hanging & footwall rocks with centre of weak to strong, oxidized chalcopyrite, galena, pyrite & pyrrhotite
322 - Banded chert with pyrite, pyrrhotite, chalcopyyrite & galena
321 - Oxidized iron breccia, fragments of chert up to 6 cm
309 - Massive iron oxide with galena.
310-312: Minor quartz - mostly mineralized shales & chert with minor visible galena; mineralized chert highly oxidized & leached; visible quartz with pyrite, pyrrhotite, galena, possible chalcopyrite, sphalerite - vein material brecciated
308 - Few sulphides visible in country rock of banded white & black cherts - green mineral "chlorite?" with pyrrhotite in leached chert.
306-307 - Banded cherts with pyrite & pyrrhotite
320 - Heavily oxidized hanging & footwalls. Centre of vein comprises quartz with massive pyrrhotite, arsenopyrite, chalcopyrite & pyrite - possible sericite in quartz.
305 - Vein material as in 320 but more oxidized quartz on hanging & footwalls with massive sulphides between
G285809 & G285814 - Boulders of limonite with pyrite, pyrrhotite, chalcopyrite, galena & sphalerite in carbonate gangue.
302-304 - Mineralized chert; oxidized material, few primary sulphides visible, quartz gangue; mineralized banded chert, disseminated pyrrhotite & chalcopyrite.
301 - Massive sulphides in quartz gangue (pyrrhotite & chalcopyrite) oxidized on hanging & footwalls.
314-315 - Slightly fresher vein material, pyrrhotite & chalcopyrite visible
G285801-804 - Rusty hanging & footwall rocks with central quartz-pyrite-pyrrhotite±chalcopyrite vein
G285805-808 - Unmineralized to weakly mineralized hanging & footwall rocks with core of oxidized pyrite & pyrrhotite.

0 50 100 m

Outcrop
Mineralized vein
Chip sample
Unmineralized vein
Cliff
Gossan
Bedding (strike and dip)
Fracture (strike and dip)
Mineralized talus
Py Pyrite
Po Pyrrhotite
After Giroux & Montgomery (1981)

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FIGURE 5
ARCHER, CATHRO & ASSOCIATES (1981) LIMITED

PROPERTY GEOLOGY & ROCK SAMPLE DATA

RYE PROPERTY

0 250 500 m

UTM ZONE 9, NAD 83, 105J/16

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Sceptre. The average sample widths and weighted average grades for these elements are listed in Table III, as are the strike lengths along which the samples were collected.

Table III – Weighted Averages for 1980 Chip Samples

Vein	Strike Length (m)	Average Width (m)	Tin (%)	Pb (%)	Zn (%)	Ag (g/t)	Cu (%)
1	250	2.8	0.77	1.93	1.50	68.2	0.110
2	250	1.68	0.16	0.47	0.13	55.9	0.210
3	20	0.45	0.31	0.17	0.12	33.2	0.090

Vein 1 is the best mineralized of the veins tested by Silver Sceptre. In 2010, Strategic Metals took three additional, contiguous chip samples across this vein and its wall rocks. The samples were located 20 m south from the southernmost of the 1980 chip samples. The 2010 chip samples yielded a weighted average of 0.46% tin, 1.77% lead, 1.33% zinc, 45.6 g/t silver and 0.09% copper over 3.40 m, including 0.73% tin, 3.75% lead, 2.97% zinc, 67.9 g/t silver and 0.09% copper over 1.35 m.

Veins 2 and 3 were not resampled in 2010.

Vein 4 is situated 200 m south of Vein 1. Vein 4 and the adjacent wallrocks were chip sampled in two places along a strike length of 11 m. The weighted averages for these sites yielded generally low values for tin, lead and zinc, with weak to moderate silver, copper and gold results. Table IV lists the weighted averages and lengths.

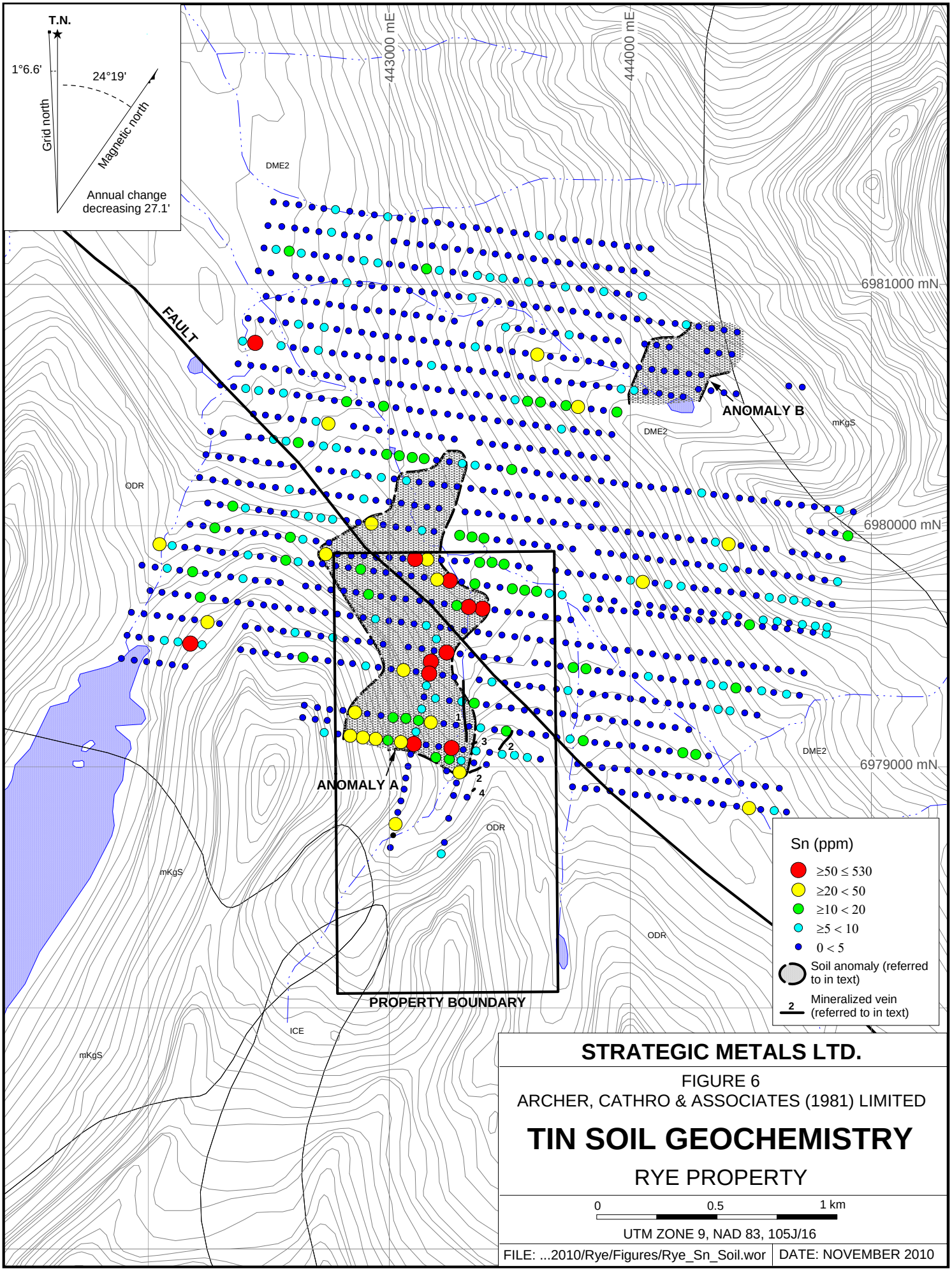
Table IV – Weighted Averages for Vein 4 Chip Samples

Average Width (m)	Tin (%)	Pb (%)	Zn (%)	Ag (opt)	Cu (%)	Au (g/t)
2.3	0.04	0.03	0.04	0.73	0.34	0.290
1.9	0.13	0.04	0.02	1.59	0.36	0.452

In addition to the 2010 chip samples, two boulders of vein material were collected alongside a creek about halfway between Veins 1 and 4. These boulder samples returned 2.91% tin, 1.32% lead, 2.32% zinc, 127 g/t silver, 1.62% copper and 0.005 g/t gold, and 0.14% tin, 0.86% lead, 0.51% zinc, 58 g/t silver, 0.15% copper and 0.056 g/t gold.

HISTORICAL SOIL GEOCHEMISTRY

In 1980, Silver Sceptre collected 968 soil samples from a 2700 by 2100 m grid. All of these samples were analyzed for tin, lead, silver and copper, while 272 of them were also analyzed for zinc and arsenic. Results for these elements are illustrated on Figures 6 to 11, and Sampling and Analytical Procedures are given in Appendix II. Table V lists the thresholds for weak, moderate and strong soil anomalies, plus peak values for each element.


T.N.
1°6.6'
24°19'
Grid north
Magnetic north
Annual change decreasing 27.1'
443000 mE
444000 mE
6981000 mN
6980000 mN
6979000 mN
FAULT
ANOMALY A
ANOMALY B
PROPERTY BOUNDARY
DME2
ODR
mKgS
ICE
1
2
3
4
Sn (ppm)
≥50 ≤ 530
≥20 < 50
≥10 < 20
≥5 < 10
0 < 5
Soil anomaly (referred to in text)
Mineralized vein (referred to in text)
STRATEGIC METALS LTD.
FIGURE 6
ARCHER, CATHRO & ASSOCIATES (1981) LIMITED
TIN SOIL GEOCHEMISTRY
RYE PROPERTY
0
0.5
1 km
UTM ZONE 9, NAD 83, 105J/16
FILE: ...2010/Rye/Figures/Rye_Sn_Soil.wor
DATE: NOVEMBER 2010

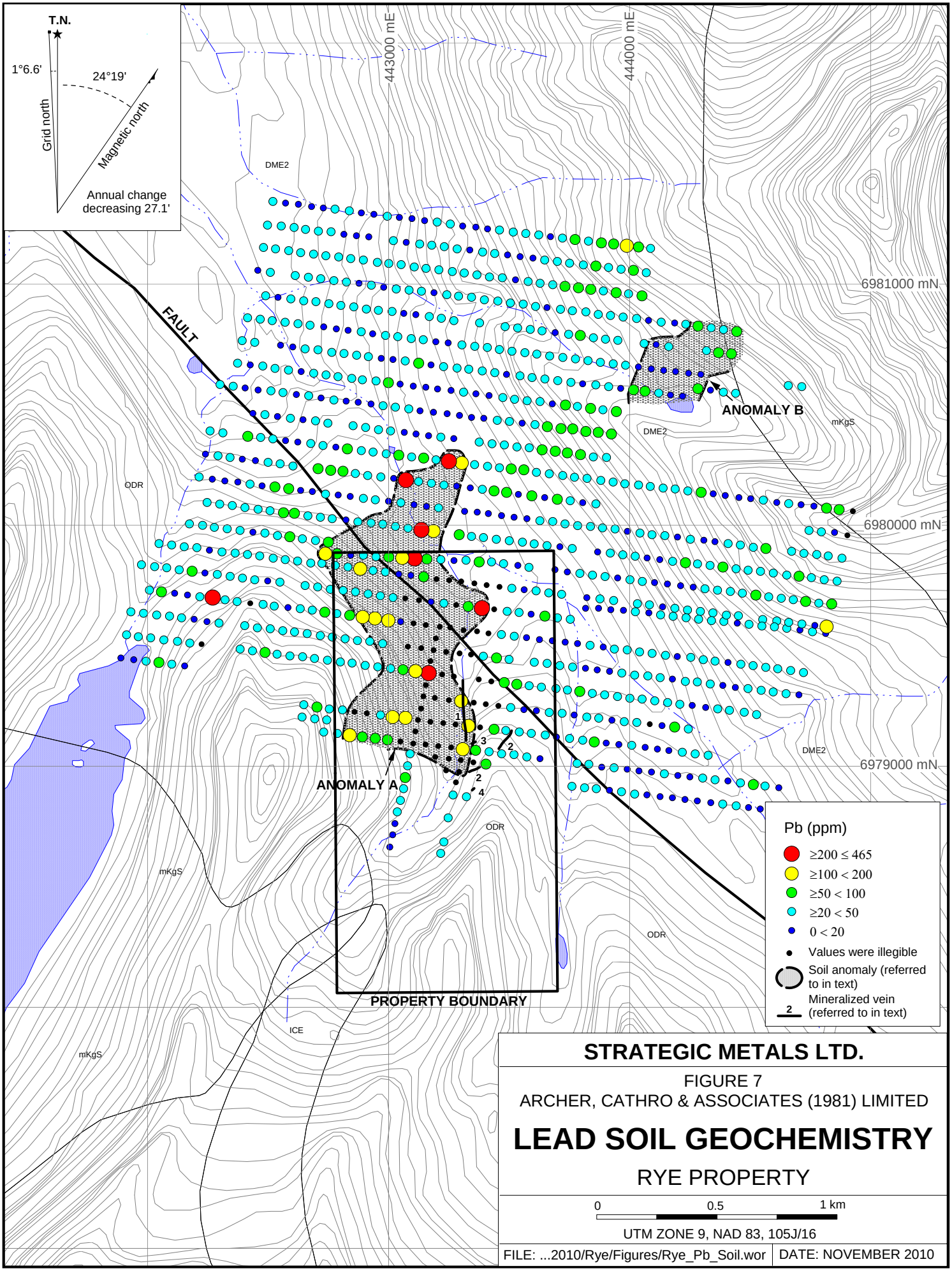


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FIGURE 7

ARCHER, CATHRO & ASSOCIATES (1981) LIMITED

LEAD SOIL GEOCHEMISTRY

RYE PROPERTY

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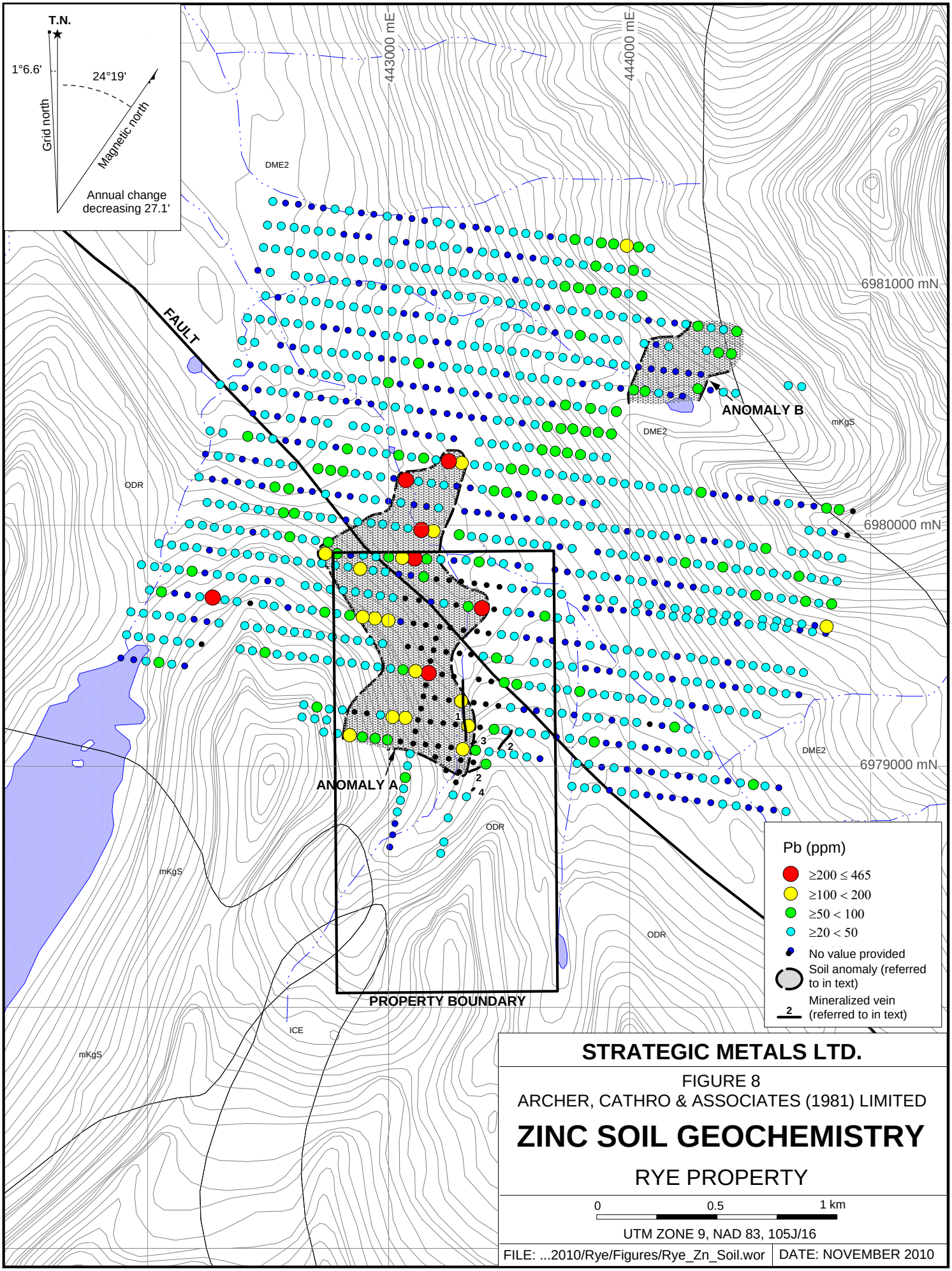
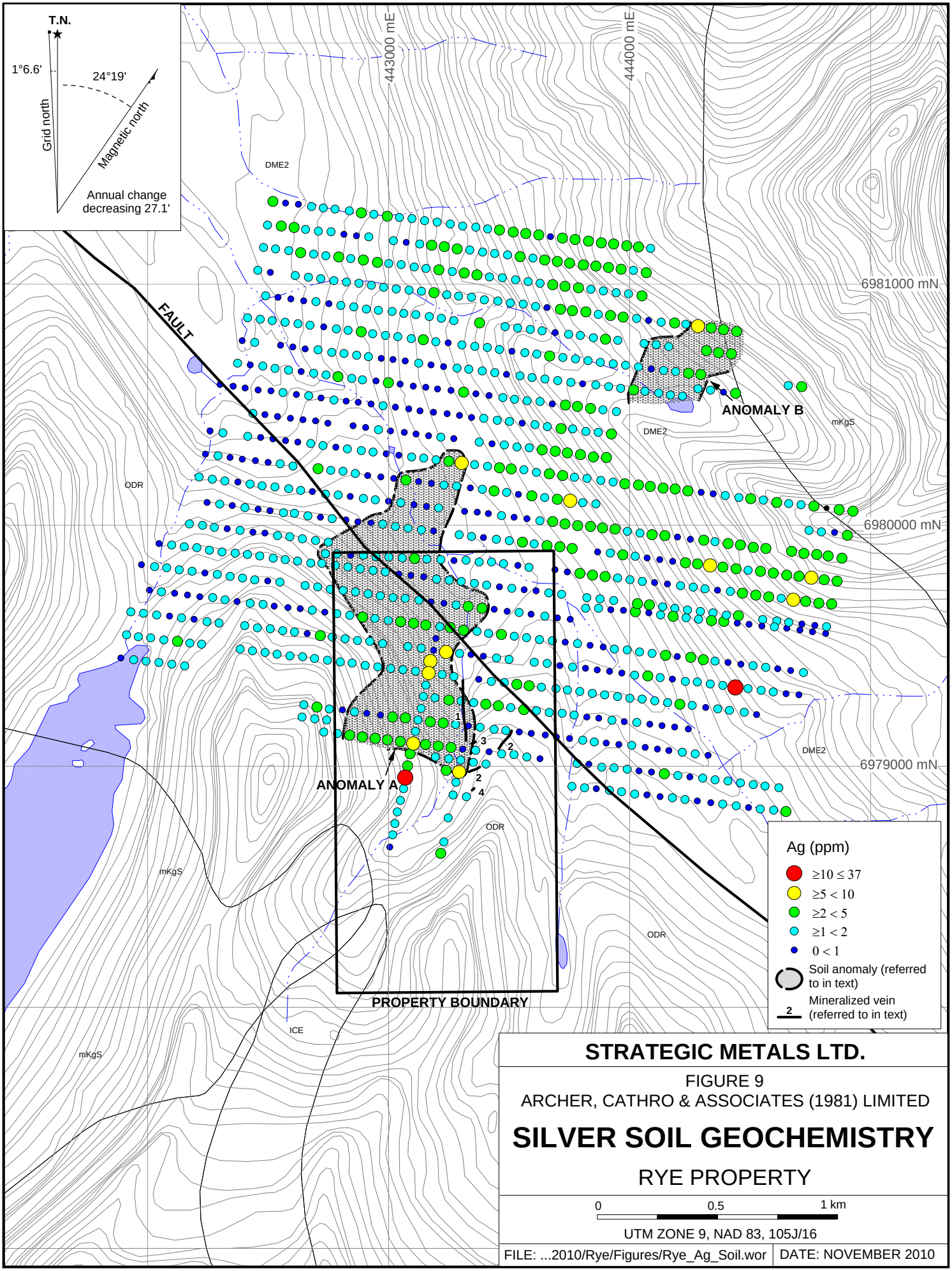
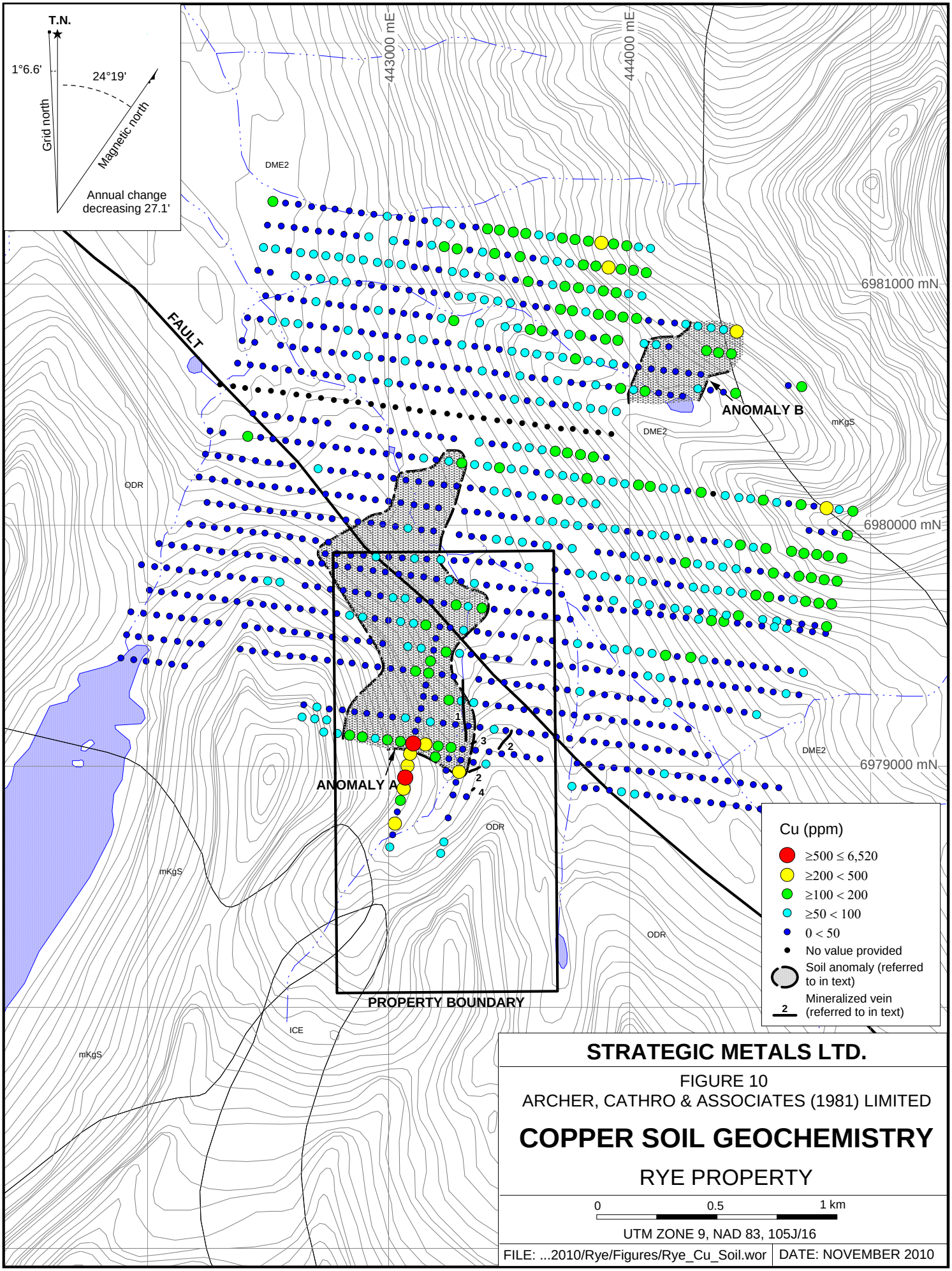

T.N.
1°6.6'
24°19'
Grid north
Magnetic north
Annual change
decreasing 27.1'
443000 mE
444000 mE
6981000 mN
6980000 mN
6979000 mN
FAULT
ANOMALY B
ANOMALY A
PROPERTY BOUNDARY
DME2
ODR
mKgS
ICE
1
2
3
4
Pb (ppm)
≥200 ≤ 465
≥100 < 200
≥50 < 100
≥20 < 50
No value provided
Soil anomaly (referred to in text)
Mineralized vein (referred to in text)
STRATEGIC METALS LTD.
FIGURE 8
ARCHER, CATHRO & ASSOCIATES (1981) LIMITED
ZINC SOIL GEOCHEMISTRY
RYE PROPERTY
0
0.5
1 km
UTM ZONE 9, NAD 83, 105J/16
FILE: ...2010/Rye/Figures/Rye_Zn_Soil.wor
DATE: NOVEMBER 2010


T.N.
1°6.6'
24°19'
Grid north
Magnetic north
Annual change decreasing 27.1'
443000 mE
444000 mE
6981000 mN
6980000 mN
6979000 mN
FAULT
ANOMALY A
ANOMALY B
PROPERTY BOUNDARY
DME2
ODR
mKgS
ICE
1
2
3
4
Ag (ppm)
≥10 ≤ 37
≥5 < 10
≥2 < 5
≥1 < 2
0 < 1
Soil anomaly (referred to in text)
Mineralized vein (referred to in text)
STRATEGIC METALS LTD.
FIGURE 9
ARCHER, CATHRO & ASSOCIATES (1981) LIMITED
SILVER SOIL GEOCHEMISTRY
RYE PROPERTY
0
0.5
1 km
UTM ZONE 9, NAD 83, 105J/16
FILE: ...2010/Rye/Figures/Rye_Ag_Soil.wor
DATE: NOVEMBER 2010


T.N.
1°6.6'
24°19'
Grid north
Magnetic north
Annual change decreasing 27.1'
443000 mE
444000 mE
6981000 mN
6980000 mN
6979000 mN
DME2
FAULT
ANOMALY B
ANOMALY A
PROPERTY BOUNDARY
ODR
mKgS
ICE
1
2
3
4
Cu (ppm)
≥500 ≤ 6,520
≥200 < 500
≥100 < 200
≥50 < 100
0 < 50
No value provided
Soil anomaly (referred to in text)
Mineralized vein (referred to in text)
STRATEGIC METALS LTD.
FIGURE 10
ARCHER, CATHRO & ASSOCIATES (1981) LIMITED
COPPER SOIL GEOCHEMISTRY
RYE PROPERTY
0
0.5
1 km
UTM ZONE 9, NAD 83, 105J/16
FILE: ...2010/Rye/Figures/Rye_Cu_Soil.wor
DATE: NOVEMBER 2010

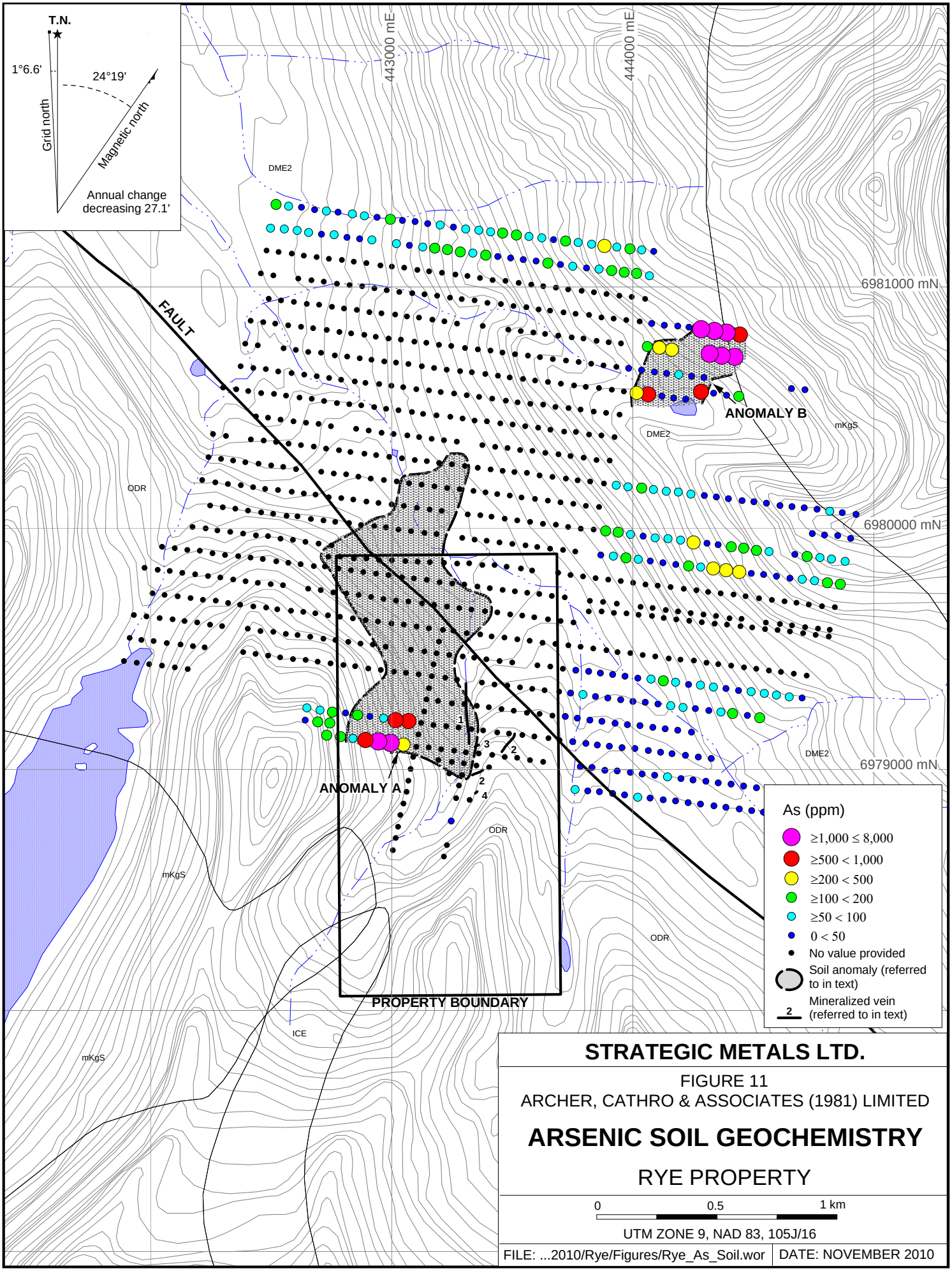

T.N.
1°6.6'
24°19'
Grid north
Magnetic north
Annual change decreasing 27.1'
443000 mE
444000 mE
6981000 mN
6980000 mN
6979000 mN
FAULT
ANOMALY B
ANOMALY A
PROPERTY BOUNDARY
DME2
ODR
mKgS
ICE
1
2
3
4
As (ppm)
≥1,000 ≤ 8,000
≥500 < 1,000
≥200 < 500
≥100 < 200
≥50 < 100
0 < 50
No value provided
Soil anomaly (referred to in text)
Mineralized vein (referred to in text)
STRATEGIC METALS LTD.
FIGURE 11
ARCHER, CATHRO & ASSOCIATES (1981) LIMITED
ARSENIC SOIL GEOCHEMISTRY
RYE PROPERTY
0
0.5
1 km
UTM ZONE 9, NAD 83, 105J/16
FILE: ...2010/Rye/Figures/Rye_As_Soil.wor
DATE: NOVEMBER 2010

Table V – Geochemical Data for 1980 Soil Samples

Element	Anomalous Thresholds			
	Weak	Moderate	Strong	Peak
Tin	< 10	≥ 10 < 50	≥ 50	530
Lead	< 50	≥ 50 < 200	≥ 200	465
Zinc	< 100	≥ 100	n/a	441
Silver	< 2	≥ 2 < 10	≥ 10	37
Copper	< 100	≥ 100 < 500	≥ 500	6250
Arsenic	< 100	≥ 100 < 500	≥ 500	8000

Two main anomalies were defined by soil sampling. Anomaly A comprises numerous moderately to strongly elevated tin, lead, zinc, silver, copper and arsenic values within an irregularly shaped 1200 by 500 m area. The eastern part of this anomaly encompasses Veins 1 and 3, but the strongest geochemical response lies on the west side of the creek, in an area with no known mineralization. Vein 2 is marked by weak tin and lead values. Soil sample density in the vicinity of Vein 4 is low, and no anomalous values were detected.

Anomaly B lies at the northeastern corner of the soil grid. It covers a 350 by 250 m area that is open to the north and east. This anomaly coincides with a granodiorite-shale contact and consists of strong arsenic values with weak to moderate lead, zinc, silver and copper support.

Soil samples within the remainder of the grid mostly returned background values but included a few scattered moderately to strongly anomalous point anomalies. None of these anomalies have been followed up.

DISCUSSION AND CONCLUSIONS

Strategic Metal's 2010 exploration program was designed to relocate and evaluate the known tin±lead±zinc±silver±copper±gold veins.

The 2010 work successfully relocated the historical veins, identified a new vein, and established the presence of gold in the system. Although chip sampling in 2010 failed to yield results as high as were obtained from some of the 1976 samples, it did confirm the general tenure of the mineralization. In addition, a sample from a mineralized boulder within the core area returned values that are directly comparable.

The Rye property warrants additional work to follow up soil anomalies, to explore for new mineralized structures, and to test the known veins more systematically in order to locate in situ higher grade mineralization and to assess gold distribution and grade variability. Work should consist of: 1) claim staking around Anomaly B; 2) additional soil sampling along the shale-granodiorite contact in the vicinity of Anomaly B to determine its extents and gold potential; 3) systematic prospecting in areas with anomalous tin geochemistry; 4) detailed prospecting within Anomaly A to trace out known veins and identify new structures; and 5) close spaced hand trenching and chip sampling of the mineralized veins and adjacent wallrocks to assess potential for ore shoots. Pending favourable results, diamond drill holes should test beneath the best surface exposures.

Respectfully submitted,

ARCHER, CATHRO & ASSOCIATES (1981) LIMITED

S. Eaton, B.Sc. Geology, GIT

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APPENDIX I

STATEMENT OF QUALIFICATIONS

STATEMENT OF QUALIFICATIONS

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

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

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

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

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

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

APPENDIX II

SAMPLING AND ANALYTICAL PROCEDURES

2010 Rock Geochemical Sampling

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

Multi-element analyses for rock samples were carried out at ALS Chemex, where each sample was dried, fine crushed to better than 70% passing -2mm and then a 250 g split was pulverized to better than 85% passing 75 micron. A portion of this material was digested in aqua regia before being analyzed for 38 elements using a lithium metaborate fusion technique (ME-MS81). All samples also were analyzed for tin using pressed pellet X-ray fluorescence (Sn-XRF05). Over limit tin values were determined using a lithium borate fusion with XRF finish (Sn-XRF10). Over limit lead, zinc and copper values were determined using four acid digestion with inductively coupled plasma and either atomic emission spectroscopy or atomic absorption spectroscopy (Pb-, Zn- or Cu-OG62). All samples were also analyzed for gold by fire assay finished with atomic absorption spectroscopy (Au-AA24).

1980 Rock and Soil Geochemical Sampling

Soil Sampling

Soil samples were collected at 100 by 50 m spacings. Sample sites were marked with wooden stakes with aluminum tags. Samples were collected from the B horizon and were placed in kraft bags marked with the grid location. The samples were dried and shipped to Min-En Laboratories Ltd. in North Vancouver where they were analyzed for copper, lead, silver and zinc. Only a small portion of the samples were analyzed for zinc and arsenic. A nitric perchloric digestion followed by atomic absorption analysis was used for copper, lead, silver and arsenic detection. A spectrophometric test was employed for arsenic, while tin was detected by fusion and colorimetric metods.

Chip Sampling

A cobra drill and blasting powder were used to “freshen up” the veins at various locations. No further sampling or analytical procedures were provided.

APPENDIX III

ROCK SAMPLE DESCRIPTIONS

Rock Sample Descriptions Project: Rye Property: Rye NAD83

Sample Number:	Grid East:		E	Grid North:		N	Type:	Chip	Dimension:	0.90 m
G285801	UTM:	443355	E	UTM:	6978908	N	Sample Width:	0-0.90 m	Abundance:	
	Elevation:		m							

Comments: Rusty weathering chert (wallrock)

Sample Number:	Grid East:		E	Grid North:		N	Type:	Chip	Dimension:	1.20 m
G285802	UTM:	443355	E	UTM:	6978908	N	Sample Width:	0.90-2.10 m	Abundance:	
	Elevation:		m							

Comments: Rusty weathering chert with minor limonite

Sample Number:	Grid East:		E	Grid North:		N	Type:	Chip	Dimension:	0.20 m
G285803	UTM:	443355	E	UTM:	6978908	N	Sample Width:	2.10-2.30 m	Abundance:	
	Elevation:		m							

Comments: Quartz-chalcopyrite-pyrite-pyrrhotite vein

Sample Number:	Grid East:		E	Grid North:		N	Type:	Chip	Dimension:	1.15 m
G285804	UTM:	443355	E	UTM:	6978908	N	Sample Width:	2.30-3.45 m	Abundance:	
	Elevation:		m							

Comments: Rusty weathering chert with minor disseminated sulphide (chalcopyrite, pyrrhotite, pyrite)

Sample Number:	Grid East:		E	Grid North:		N	Type:	Chip	Dimension:	0.45 m
G285805	UTM:	443346	E	UTM:	6978900	N	Sample Width:	0-0.45 m	Abundance:	
	Elevation:		m							

Comments: Rusty weathering chert (wallrock)

Sample Number:	Grid East:		E	Grid North:		N	Type:	Chip	Dimension:	1.00 m
G285806	UTM:	443346	E	UTM:	6978900	N	Sample Width:	0.45-1.45 m	Abundance:	
	Elevation:		m							

Comments: Moderately limonitic quartz-pyrite-pyrrhotite vein

Rock Sample Descriptions Project: Rye Property: Rye NAD83

Sample Number:	Grid East:		E	Grid North:		N	Type:	Dimension:
G285807	UTM:	443346	E	UTM:	6978900	N	Chip	0.90 m
	Elevation:		m				Sample Width: 1.45-2.35 m	Abundance:

Comments: Strongly oxidized (weakly limonitic) quartz vein and chert

Sample Number:	Grid East:		E	Grid North:		N	Type:	Dimension:
G285808	UTM:	443346	E	UTM:	6978900	N	Chip	1.00 m
	Elevation:		m				Sample Width: 2.35-3.35 m	Abundance:

Comments: Rusty weathering chert (wallrock)

Sample Number:	Grid East:		E	Grid North:		N	Type:	Dimension:
G285809	UTM:	443305	E	UTM:	6979023	N	Float	
	Elevation:		m				Sample Width:	Abundance:

Comments: Limonite boulder with residual pyrite-pyrrhotite

Sample Number:	Grid East:		E	Grid North:		N	Type:	Dimension:
G285810	UTM:	443352	E	UTM:	6979101	N	Chip	1.00 m
	Elevation:		m				Sample Width: 0-1.00 m	Abundance:

Comments: Rusty weathering chert (wallrock)

Sample Number:	Grid East:		E	Grid North:		N	Type:	Dimension:
G285811	UTM:	443352	E	UTM:	6979101	N	Chip	1.35 m
	Elevation:		m				Sample Width: 1.00-2.35 m	Abundance:

Comments: Weakly mineralized vein(?) with galena and sphalerite

Sample Number:	Grid East:		E	Grid North:		N	Type:	Dimension:
G285812	UTM:	443352	E	UTM:	6979101	N	Chip	1.05 m
	Elevation:		m				Sample Width: 2.35-3.40 m	Abundance:

Comments: Strongly mineralized, limonitic chalcopyrite-galena-pyrite-pyrrhotite vein

Rock Sample Descriptions Project: Rye Property: Rye NAD83

Sample Number:	Grid East:		E	Grid North:		N	Type:	Chip	Dimension:	1.35 m
G285813	UTM:	443352	E	UTM:	6979101	N	Sample Width:	3.40-4.75 m	Abundance:	
	Elevation:		m							

Comments: Rusty weathering chert (wallrock)

Sample Number:	Grid East:		E	Grid North:		N	Type:	Float	Dimension:	
G285814	UTM:	443305	E	UTM:	6979023	N	Sample Width:		Abundance:	
	Elevation:		m							

Comments: Limonite boulder with carbonate crystals and pyrite

APPENDIX IV

CERTIFICATES OF ANALYSIS

ALS Canada Ltd.
2103 Dollarton Hwy
North Vancouver BC V7H 0A7
Phone: 604 984 0221 Fax: 604 984 0218 www.alsglobal.com

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

Finalized Date: 24- AUG- 2010
Account: MTT

CERTIFICATE VA10108980

Project: RYE

P.O. No.:

This report is for 14 Rock samples submitted to our lab in Vancouver, BC, Canada on 9- AUG- 2010.

The following have access to data associated with this certificate:

JOAN MARIACHER	BILL WENGZYNOWSKI	

SAMPLE PREPARATION

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

ANALYTICAL PROCEDURES

ALS CODE	DESCRIPTION	INSTRUMENT
ME- MS81	38 element fusion ICP- MS	ICP- MS
Au- AA24	Au 50g FA AA finish	AAS

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

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

Signature:

Colin Ramshaw, Vancouver Laboratory Manager

ALS Canada Ltd.
2103 Dollarton Hwy
North Vancouver BC V7H 0A7
Phone: 604 984 0221 Fax: 604 984 0218 www.alsglobal.com

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VANCOUVER BC V6B 1L8

Finalized Date: 24- AUG- 2010
Account: MTT

Project: RYE

CERTIFICATE OF ANALYSIS VA10108980

Sample Description	Method Analyte Units LOR	WEI- 21 Recvd Wt. kg 0.02	Au- AA24 Au ppm 0.005	ME- MS81 Ag ppm 1	ME- MS81 Ba ppm 0.5	ME- MS81 Ce ppm 0.5	ME- MS81 Co ppm 0.5	ME- MS81 Cr ppm 10	ME- MS81 Cs ppm 0.01	ME- MS81 Cu ppm 5	ME- MS81 Dy ppm 0.05	ME- MS81 Er ppm 0.03	ME- MS81 Eu ppm 0.03	ME- MS81 Ga ppm 0.1	ME- MS81 Gd ppm 0.05	ME- MS81 Hf ppm 0.2
G285801		0.56	0.213	15	2710	53.3	5.5	70	15.80	1040	3.94	2.44	1.16	14.3	4.19	6.4
G285802		0.44	0.381	32	3750	45.4	14.4	60	17.60	4830	3.47	2.09	0.82	14.4	3.45	4.5
G285803		0.66	0.094	35	1635	7.9	15.0	10	4.51	5150	0.60	0.37	0.18	3.9	0.62	1.3
G285804		0.84	<0.005	2	1110	70.5	10.4	80	19.85	210	5.23	3.18	1.34	18.2	5.63	7.8
G285805		0.54	0.005	1	2080	71.0	10.4	70	9.33	118	6.04	3.56	1.40	15.5	6.22	10.8
G285806		1.56	0.847	76	288	2.3	11.0	10	1.00	5660	0.25	0.17	0.07	2.0	0.23	0.6
G285807		0.88	0.013	34	1595	16.7	1.1	40	4.48	1240	1.70	1.14	0.38	10.3	1.51	6.3
G285808		0.44	<0.005	1	908	65.0	9.6	70	8.47	154	4.97	2.99	1.27	15.3	5.09	8.6
G285809		0.84	0.056	58	5560	45.2	2.2	50	8.73	1520	3.89	2.36	1.67	21.7	3.93	7.0
G285810		0.48	<0.005	17	3620	55.6	3.9	60	28.3	307	4.08	2.52	1.31	21.0	4.26	7.4
G285811		0.92	0.013	70	6730	47.9	5.1	30	14.15	851	3.59	2.24	1.60	20.9	3.66	5.4
G285812		0.64	<0.005	46	2240	54.8	6.6	60	18.95	1410	4.28	2.54	0.96	23.2	4.68	5.4
G285813		1.38	<0.005	37	1320	59.5	4.0	60	36.8	170	4.51	2.63	1.16	24.6	4.75	6.4
G285814		0.24	0.005	127	130.0	1.7	2.2	10	1.54	>10000	0.22	0.13	0.08	3.8	0.18	0.2

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1016- 510 W HASTINGS ST
VANCOUVER BC V6B 1L8

Finalized Date: 24- AUG- 2010
Account: MTT

Project: RYE

CERTIFICATE OF ANALYSIS VA10108980

Sample Description	Method	ME- MS81	ME- MS81	ME- MS81	ME- MS81	ME- MS81	ME- MS81	ME- MS81	ME- MS81	ME- MS81	ME- MS81	ME- MS81	ME- MS81	ME- MS81	ME- MS81	ME- MS81
	Analyte	Ho	La	Lu	Mo	Nb	Nd	Ni	Pb	Pr	Rb	Sm	Sn	Sr	Ta	Tb
	Units	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm
	LOR	0.01	0.5	0.01	2	0.2	0.1	5	5	0.03	0.2	0.03	1	0.1	0.1	0.01
G285801		0.82	28.4	0.36	<2	10.6	24.4	21	214	6.61	187.0	4.52	473	110.0	0.8	0.67
G285802		0.71	23.8	0.31	2	9.2	20.6	19	213	5.51	202	3.80	426	74.6	0.7	0.57
G285803		0.08	4.3	0.03	<2	2.0	3.7	16	759	0.94	65.6	0.82	213	13.8	0.1	0.06
G285804		1.07	37.1	0.46	<2	13.6	32.6	32	75	8.88	200	6.13	208	149.0	1.0	0.88
G285805		1.22	37.0	0.53	<2	14.1	34.0	31	40	8.95	128.5	6.83	50	165.5	1.0	1.04
G285806		0.05	1.3	0.03	<2	1.2	1.0	<5	496	0.27	7.9	0.20	1495	3.1	0.1	0.03
G285807		0.35	9.0	0.21	<2	7.6	7.9	<5	345	2.05	66.1	1.54	699	23.3	0.5	0.25
G285808		0.98	33.6	0.44	<2	12.8	30.4	27	44	8.06	110.5	5.88	21	195.0	0.9	0.84
G285809		0.80	24.9	0.31	2	8.8	21.4	9	8650	5.77	230	4.25	1160	56.2	0.7	0.66
G285810		0.86	29.4	0.38	<2	12.3	25.5	14	3360	6.88	305	4.91	3320	106.5	0.9	0.70
G285811		0.75	26.1	0.37	<2	8.3	21.0	8	>10000	5.72	269	4.00	5650	68.1	0.6	0.59
G285812		0.87	28.3	0.40	<2	9.8	25.6	16	5680	6.77	178.0	5.35	1915	56.6	0.7	0.76
G285813		0.88	32.2	0.40	2	11.9	27.5	17	3640	7.38	330	5.39	>10000	88.7	0.8	0.75
G285814		0.04	0.9	0.01	<2	2.0	0.9	<5	>10000	0.21	10.7	0.19	>10000	3.2	0.1	0.03

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North Vancouver BC V7H 0A7
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1016- 510 W HASTINGS ST
VANCOUVER BC V6B 1L8

Finalized Date: 24- AUG- 2010
Account: MTT

Project: RYE

CERTIFICATE OF ANALYSIS VA10108980

Sample Description	Method	ME- MS81	ME- MS81	ME- MS81	ME- MS81	ME- MS81	ME- MS81	ME- MS81	ME- MS81	ME- MS81	ME- MS81
	Analyte	Th	Tl	Tm	U	V	W	Y	Yb	Zn	Zr
	Units	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm
	LOR	0.05	0.5	0.01	0.05	5	1	0.5	0.03	5	2
G285801		8.25	1.4	0.36	2.12	67	9	21.9	2.31	290	252
G285802		7.36	1.2	0.33	1.90	94	12	19.6	1.94	360	175
G285803		1.69	0.8	0.03	0.57	15	12	3.9	0.41	1250	56
G285804		10.90	1.5	0.47	2.61	89	3	29.3	3.00	95	295
G285805		11.30	0.8	0.53	2.97	76	3	33.2	3.35	151	426
G285806		0.65	<0.5	0.02	0.20	29	5	1.7	0.21	293	26
G285807		5.44	<0.5	0.18	1.37	42	7	10.0	1.26	65	249
G285808		10.20	0.6	0.42	2.56	78	3	27.6	2.74	108	342
G285809		8.55	1.6	0.35	1.78	51	10	22.6	2.20	5100	287
G285810		9.87	2.2	0.37	2.55	67	9	23.1	2.48	872	282
G285811		6.92	2.5	0.34	1.88	36	10	20.6	2.28	>10000	208
G285812		7.92	1.7	0.38	1.94	53	16	23.7	2.49	3960	208
G285813		8.63	2.0	0.40	2.20	77	23	25.0	2.56	257	241
G285814		0.22	<0.5	0.01	0.24	26	24	1.3	0.12	>10000	7

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North Vancouver BC V7H 0A7
Phone: 604 984 0221 Fax: 604 984 0218 www.alsglobal.com

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

Finalized Date: 9- SEP- 2010
Account: MTT

CERTIFICATE VA10119459

Project: RYE

P.O. No.:

This report is for 14 Rock samples submitted to our lab in Vancouver, BC, Canada on 24- AUG- 2010.

The following have access to data associated with this certificate:

JOAN MARIACHER	BILL WENGZYNOWSKI	

SAMPLE PREPARATION

ALS CODE	DESCRIPTION
FND- 02	Find Sample for Addn Analysis

ANALYTICAL PROCEDURES

ALS CODE	DESCRIPTION	INSTRUMENT
ME- XRF05	Trace Level XRF Analysis	XRF
ME- OG62	Ore Grade Elements - Four Acid	ICP- AES
Cu- OG62	Ore Grade Cu - Four Acid	VARIABLE
Pb- OG62	Ore Grade Pb - Four Acid	VARIABLE
Zn- OG62	Ore Grade Zn - Four Acid	VARIABLE

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

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

Signature:
Colin Ramshaw, Vancouver Laboratory Manager

ALS Canada Ltd.
2103 Dollarton Hwy
North Vancouver BC V7H 0A7
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Project: RYE

CERTIFICATE OF ANALYSIS VA10119459

Sample Description	Method Analyte Units LOR	Cu- OG62 Cu % 0.001	Pb- OG62 Pb % 0.001	Zn- OG62 Zn % 0.001	ME- XRF05 Sn ppm 5
G285801					502
G285802					431
G285803					225
G285804					220
G285805					50
G285806					1750
G285807					721
G285808					22
G285809					1375
G285810					3620
G285811			3.75	2.97	7280
G285812					2130
G285813					>10000
G285814		1.620	1.315	2.32	>10000

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VANCOUVER BC V6B 1L8

Finalized Date: 12- SEP- 2010
Account: MTT

CERTIFICATE VA10129083

Project: RYE

P.O. No.:

This report is for 2 Rock samples submitted to our lab in Vancouver, BC, Canada on 10- SEP- 2010.

The following have access to data associated with this certificate:

JOAN MARIACHER	BILL WENGZYNOWSKI	

SAMPLE PREPARATION

ALS CODE	DESCRIPTION
FND- 02	Find Sample for Addn Analysis

ANALYTICAL PROCEDURES

ALS CODE	DESCRIPTION	INSTRUMENT
ME- XRF10	Fusion XRF - Ore Grade	XRF
OA- GRA06	LOI for ME- XRF06	WST- SIM

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

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Signature:
Colin Ramshaw, Vancouver Laboratory Manager

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To: **STRATEGIC METALS LTD.**
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Finalized Date: 12- SEP- 2010
Account: MTT

Project: RYE

CERTIFICATE OF ANALYSIS VA10129083

Sample Description	Method	ME- XRF10
	Analyte	Sn
	Units	%
	LOR	0.01
G285813		1.10
G285814		2.91

QC 06756

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 Rye 1-28 mineral claims on claim sheet 105J/16 is accurate.

Joan Mariacher

Sworn before me at Vancouver, B.C.

this 15th day of February 2012.

Barrister & Solicitor

IAN J. TALBOT
Barrister & Solicitor
281 East 6th Street
North Vancouver
British Columbia
Canada V7L 1L8

095360

Statement of Expenditures
Rye 1-28 Mineral Claims
February 14, 2012

Labour

S. Eaton (geologist) August 2011 – 2 days @ $680/day	$ 1,523.20
R. Drechsler (field assistant) August 2011 – 2 days @ $680/day	1,523.20
K. Johnstone (field assistant) August 2011 – 2 days @ $344/day	770.56
	3,816.96

Expenses

Field room and board - 6 mandays @ $125/manday	840.00
Outbound Aviation	4,144.22
ALS Chemex	9,129.71
	$14,113.93

Total	$17,930.89