SALOON PROPERTY

Persistence Rewarded

- **Saloon was one of the earliest mineral occurrences discovered in the Yukon.**
- **More than 100 m of underground workings were completed prior to 1912, but the property received little exploration for the next 100 years!**
- **2016 diamond drill hole cut mineralized intercepts from top to bottom, including 0.40% copper and 128.46 g/t silver over 30.23 m. The zone opens in all directions.**

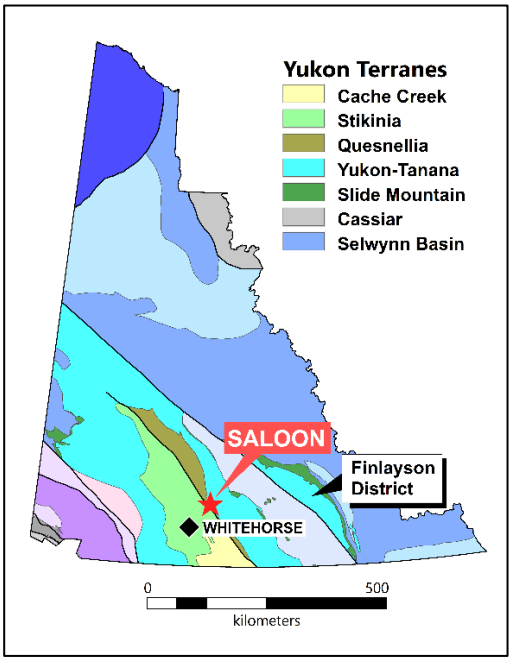

FIGURE 1 – TECTONIC SETTING

Strategic Metals' wholly-owned Saloon project covers a largely untested but drill-validated, copper-gold-silver prospect. It is located at the southern end of the Livingstone Creek placer gold camp, in southern Yukon. A one-hole diamond drill program in 2016 returned significant copper and silver intercepts from top to bottom, including 0.40% copper and 128.46 g/t silver over 30.23 m. Limited prospecting in a largely till-covered terrain has identified copper-gold±silver mineralization over a 1.8 km strike length.

The earliest record of exploration in the Saloon area is from 1900 to 1912, when several adits were driven in and around what is now referred to as the Stampede Zone. The biggest adit was reportedly 105 m long and intersected a 25 m wide zone of strong copper mineralization. All of these workings have collapsed, but are marked by old timbers, waste dumps and abandoned tools. Samples from waste dumps have yielded up to 10.37% copper, 44.57 g/t gold and 144 g/t silver. The property is largely underlain by Finlayson Assemblage chlorite-sericite schists, which are cut by the northwest-trending Big Salmon Fault. These deformed and metamorphosed rocks are part of Yukon-Tanana – a pericratonic terrane that records the evolution of a Late Devonian to Middle Permian continental arc and back-arc system. In the Finlayson District, east of the property, Yukon-Tanana hosts several important volcanogenic massive

FIGURE 2 – LOOKING NORTH-NORTHWEST AT THE STAMPEDE ZONE

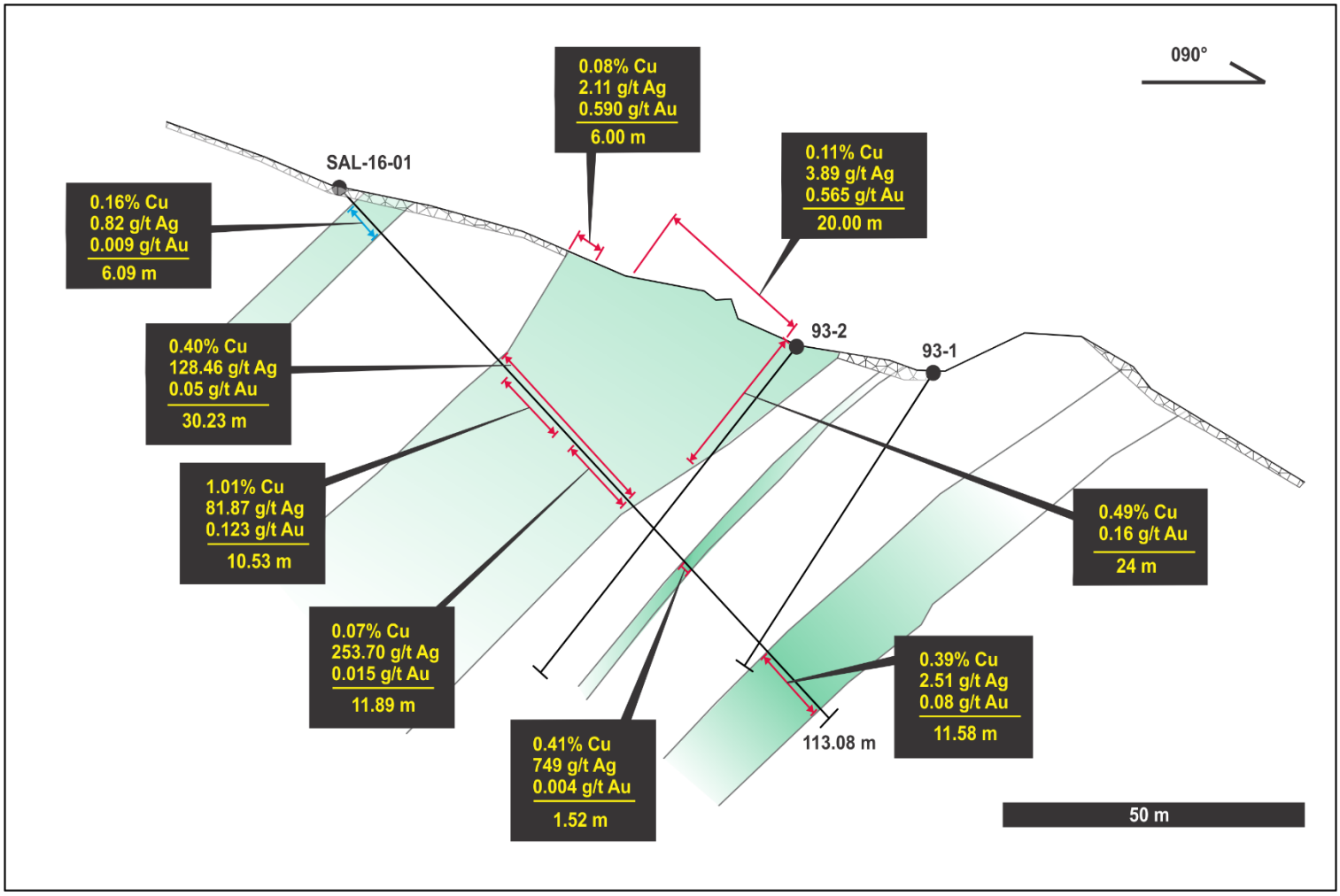

FIGURE 3 – DRILL HIGHLIGHTS FROM THE STAMPEDE ZONE

FIGURE 4 – MALACHITE-STAINED OUTCROP AT THE STAMPEDE ZONE

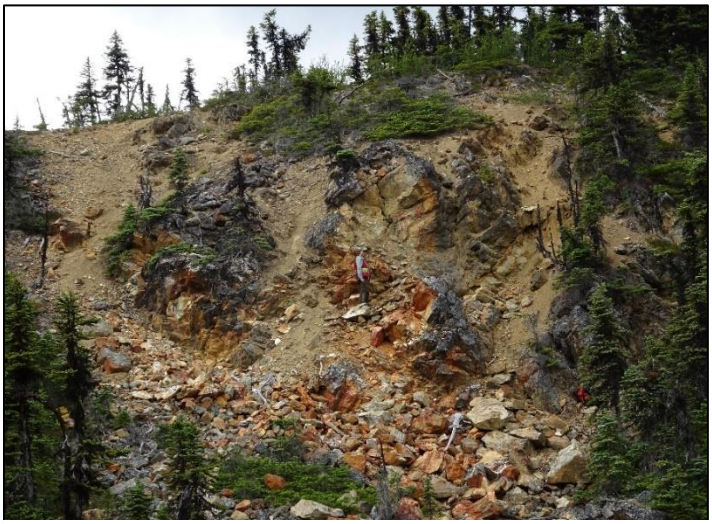

FIGURE 5 – LOOKING NORTHWEST AT THE COWBOY ZONE

sulphide (VMS) deposits such as Kudz ze Kayah, Wolverine, GP4F and Fyre. Volcanogenic deposits in the Finlayson District typically occur at lithological contacts between rocks of different character, and, like Saloon, are characterized by widespread silica-sericite-chlorite alteration.

Mineralization at the Stampede Zone is hosted within silicified, foliaform horizons and comprises quartz, sericite, chalcopyrite and pyrite, as well as secondary copper minerals and an unidentified silver-bearing mineral. Surface chip sampling has yielded stronger gold grades and weaker silver grades than were encountered in drill core. Rock and core samples are remarkably low in deleterious elements such as arsenic, mercury, antimony and selenium.

In 2017, another significant area of mineralization was relocated, approximately 1.2 km north of the Stampede Zone. A historical bulk sample from this area, now referred to as the Cowboy Zone, returned 0.35% copper. Rock samples collected from the Cowboy Zone in 2017 yielded up to 0.79 g/t gold. This area has never been drilled.

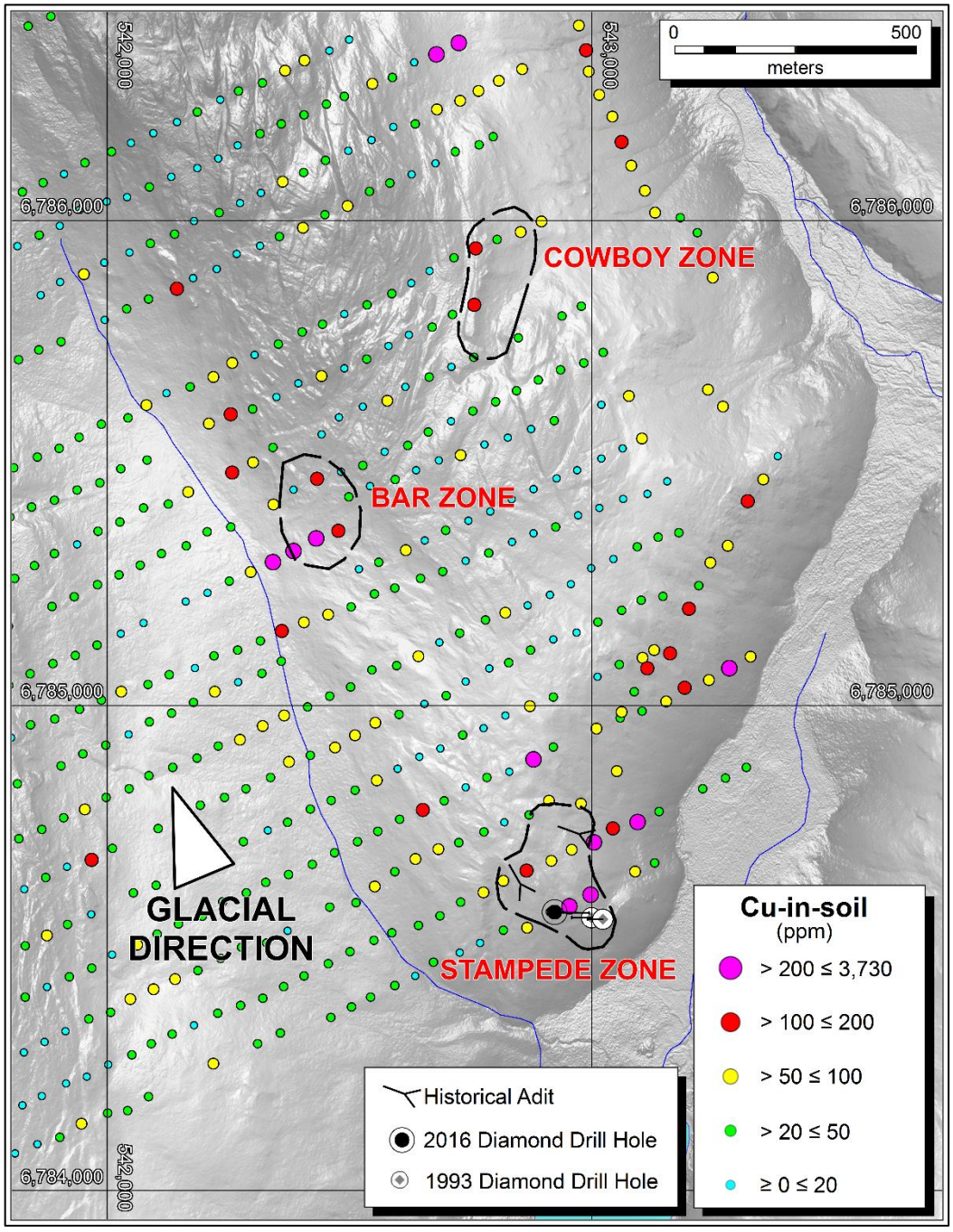

FIGURE 6 – COPPER-IN-SOIL GEOCHEMISTRY

Copper- and gold-in-soil results suggest the presence of a large mineralized system, in spite of nearly pervasive glacial overburden. Late Pleistocene glaciation was locally directed to the north-northwest, exposing outcrop on steep, south-facing slopes and depositing a veneer of till along ridge tops. Valley floors are blanketed by glacial-fluvial and glacial-lacustrine sediments. These glacial sediments likely supress the soil geochemical response in many parts of the property.

Most of the strongly elevated samples sites have not yet received follow-up prospecting. The peak gold-in-soil response is located within a cluster of anomalous samples, 4.1 km northwest of the Stampede Zone, which is referred to as the Bronco Gold Anomaly. This area is thickly vegetated and the source of the soil anomaly has not been idenfitied.

Only three diamond drill holes have ever been attempted on the property, and all were abandoned in strongly altered rock. They are all located on a single east-west oriented

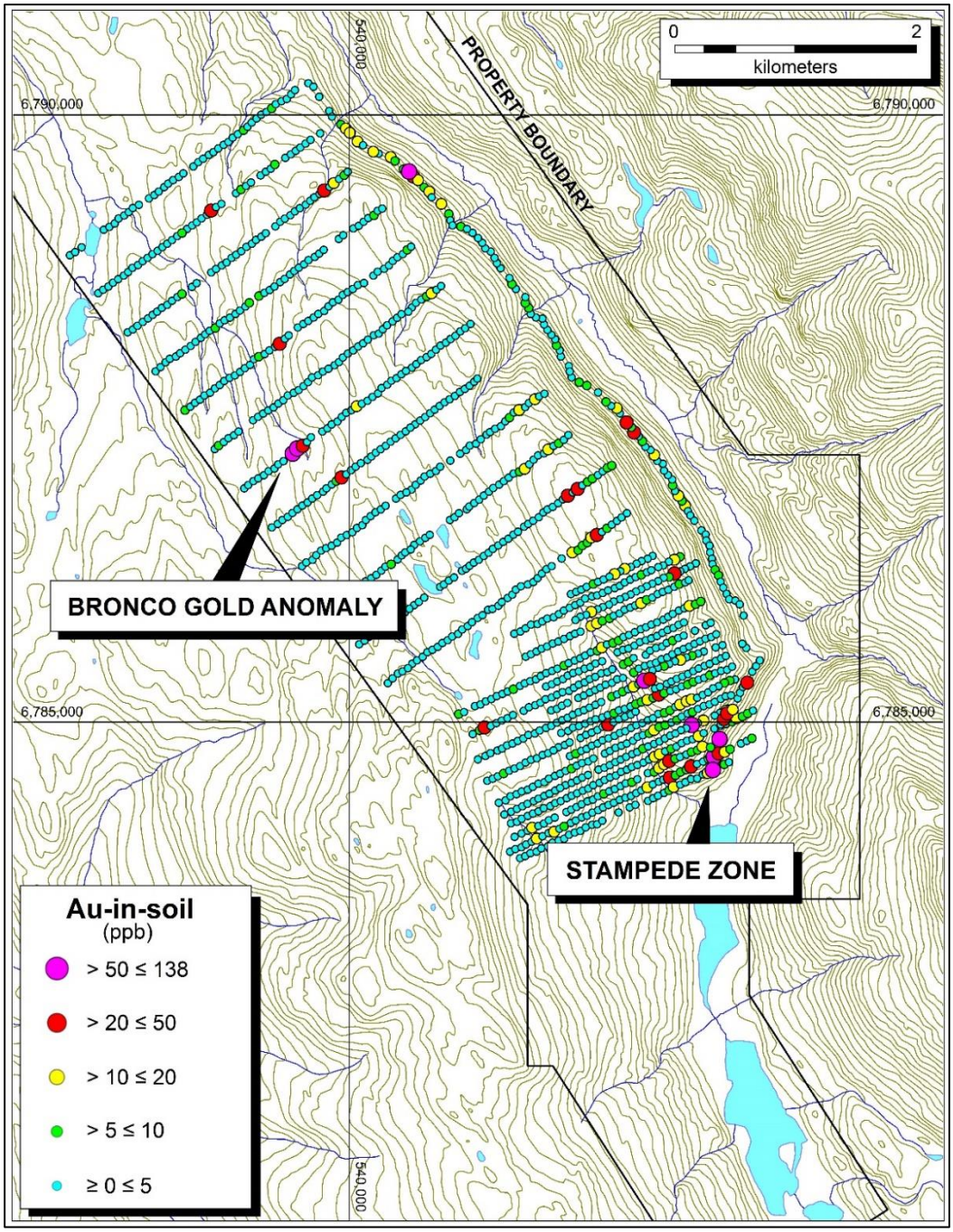

FIGURE 7 – GOLD-IN-SOIL GEOCHEMISTRY

section, which suggests that mineralization at the Stampede Zone is open down-dip, along strike and into both hanging wall and footwall stratigraphy. Other targets on the property remain to be drill-tested, and there is strong potential to discover additional mineralized zones.

Cursory geological interpretation suggests that the mineralization at the Stampede Zone may be developed within the thickened hinge of a synformal fold, and that other mineralized zones, such as the Cowboy and Bar Zones, may be located along the fold limbs. Alternatively, the mineralization may be focused along a system of structures subordinate to the Big Salmon fault.

Future work should include additional soil geochemical sampling in conjunction with detailed geological mapping, to identify high-priority drill targets and assist in deposit modelling. Drilling at the Stampede Zone should be designed to expand and test the geometry of the mineralized system.

FOR MORE INFORMATION ON THIS PROPERTY

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