

MELOY PROPERTY

- Very large porphyry target in an established porphyry belt that includes the Casino deposit
- Prospecting has returned rocks grading up to 8.72% copper, 825 g/t silver, 1.47% molybdenum, 1.06 g/t gold, 3.51% tungsten, 0.64% tin and >1% zinc
- Two 3 by 3 kilometer copper-in-soil geochemical anomalies, with most values between 200 and 1000 ppm and a peak value of 4520 ppm

The Meloy property is wholly owned by Strategic Metals Ltd. and hosts a very large copper-molybdenum porphyry target in southwest Yukon. The 38 km² claim block covers strongly altered granodiorite and quartz-feldspar porphyry that are highly enriched in copper, silver, molybdenum, gold, tungsten, tin and zinc.

The property is located approximately 100 km north-northwest of Haines Junction, at the southern end of the Dawson Range belt, an important copper and gold district associated with mid- to Late Cretaceous magmatism (Figure 1). Notable occurrences within the belt include the giant Casino copper-gold-molybdenum porphyry deposit, the Freegold porphyry-epithermal gold-copper camp and the Klaza gold-silver epithermal deposit and related copper porphyry (Figure 1).

The Meloy property is underlain by the Ruby Range suite, characterized by multiple phases including coarse- to medium-grained biotite/hornblende granodiorite, quartz-feldspar porphyry, tonalite and a seemingly late fine-grained slightly feldspar porphyritic monzonite. These rocks were intruded at relatively high levels, indicated by the presence of abundant miarolitic cavities and the close spatial association with temporally equivalent volcanic rocks (found just north of the property).

The area is characterized by sharp peaks and high rounded ridges (Figure 2). The area has been affected by glaciation; however, many of the ridges and peaks were nunataks and were therefore above the maximum ice level. Outcrop is limited to these ridges and peaks, with many slopes and valleys covered with variable sized boulders and talus blocks.

Figure 2. Large colour anomaly within the Main Ridge/Main Cirque zones at the Meloy property.

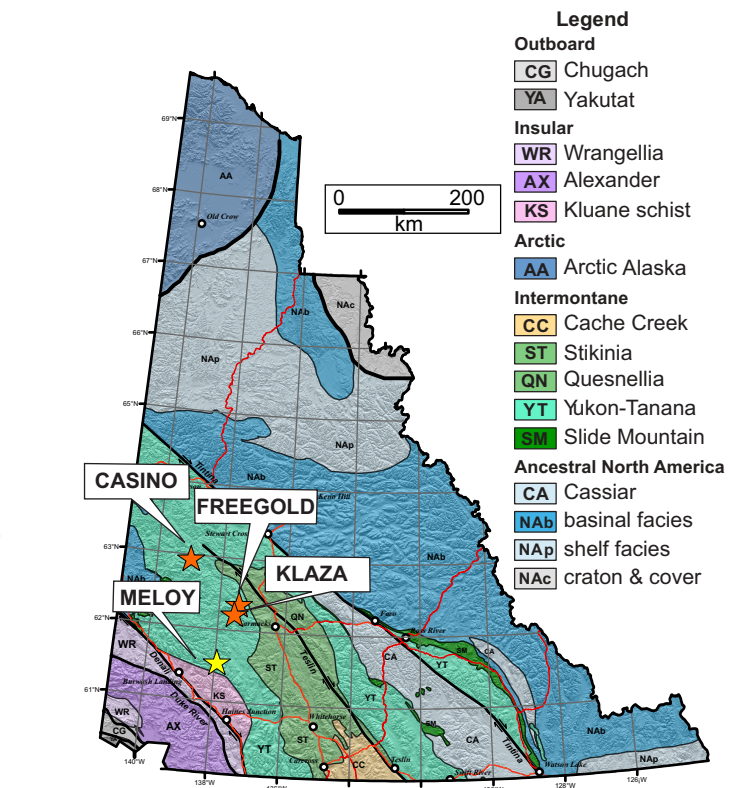


Figure 1. Tectonic assemblage map of Yukon.



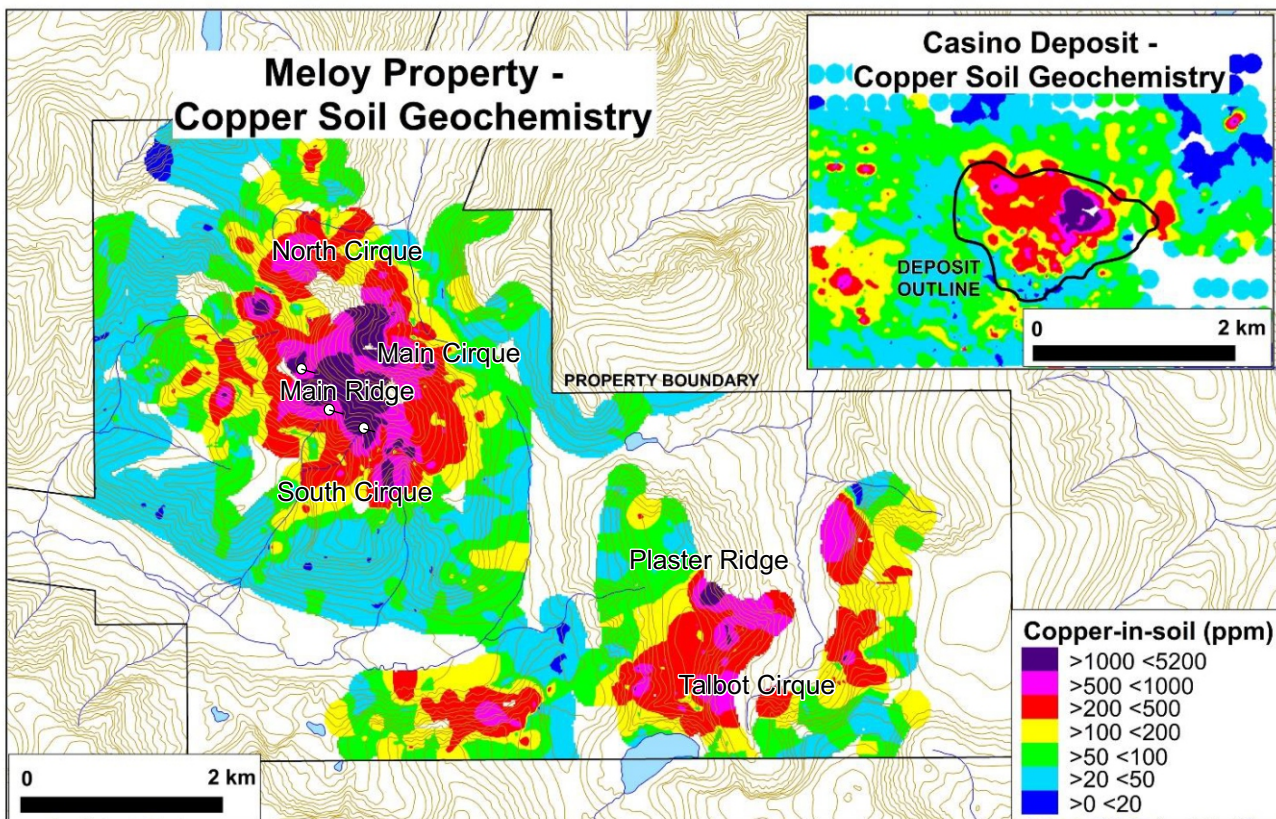


Figure 3. Copper-in-soil geochemistry at the Meloy property. Inset shows the copper-in-soil geochemical anomaly for the Casino deposit at the same scale for comparison.

The Meloy property covers two 3 km by 3 km copper-in-soil geochemical anomalies that overlie several different mineralized zones (Figure 3). Most samples within these anomalies returned between 200 and 1000 ppm copper, with a peak of 4520 ppm. Within these copper anomalies gold, silver and molybdenum soil geochemistry is very strong, with maximum values of 673 ppb gold, 19 ppm silver and 595 ppm molybdenum. Both anomalies host smaller clusters of highly elevated tungsten, tin and zinc. The geochemical anomalies cover multiple phases of the Ruby Range suite. These rocks have been intensely fractured and altered showing phyllic and localized potassic alteration. Abundant porphyry-type veining is found throughout the area including quartz A-veins, quartz-magnetite veins and quartz sulphide veins (Figures 4 and 5). Localized zones of sheeted, limonite coated fractures occur within the Main Ridge and Main Cirque zones (Figure 6). Some of these fractures contain remnant quartz-sulphide veins and are associated with intense alteration affecting the wall-rock between fractures.



Figure 4. A-type porphyry quartz veins from the Main Ridge zone of the Meloy property. Granodioritic rock is intensely clay altered.



Figure 5. Quartz A-veins and magnetite-quartz veins within granodiorite from the Meloy property. Minor sulphides present in some of the quartz veins.



Figure 6. Strong alteration along and in-between sheeted fractures developed in granodiorite. Some fractures host remnant quartz-sulphide veins.



Figure 7. Quartz, chalcopyrite with minor bornite vein within strongly altered granodiorite from the Main Ridge zone.

Pyrite, chalcopyrite, molybdenite, bornite and wolframite are the dominant minerals of interest; with locally abundant sphalerite, arsenopyrite, chalcocite, covellite, malachite and azurite. The majority of mineralization identified to date is hosted within veins, veinlets and fractures (Figures 7 to 9). Chalcopyrite is the main copper mineral found as small disseminated crystals to semi-massive zones within quartz veins. Molybdenite occurs within narrow quartz-veins or as coatings on fracture surfaces. Bladed wolframite is found within quartz veins with crystal reaching up to 1.5 cm in length.

Sampling during prospecting on the property has returned assay values from rocks grading up to 8.72% copper, 825 g/t silver, 1.47% molybdenum, 1.06 g/t gold, 3.51% tungsten 0.64% tin and greater than 1% zinc. Hand trenching at the Main Ridge zone identified strongly mineralized quartz veining within densely fractured and rusty weathered granodiorite. Samples from the Main Ridge zone have returned 12.15% copper with 0.797 g/t gold, 270 g/t silver and 3.9% molybdenum. The Main Cirque zone is dominated by areas of rusty weathered granodiorite cut by quartz-sulphide veins with chalcopyrite, molybdenite and minor bornite and pyrite. Locally chalcopyrite is found disseminated within the granodiorite. Samples from the Main Cirque zone have returned up to 2.54% copper, 294 g/t silver and 1.8% molybdenum. The South Cirque zone is characterized largely by talus boulders of granodiorite with few outcrop exposures. Float samples taken from large boulders containing yellow weathered quartz veins hosting molybdenite rosettes assayed 3.07 g/t gold, 14.35 g/t silver and 0.36% molybdenum. Chalcopyrite rich veins from similar talus returned up to 4.96% copper with 134 g/t silver and 0.1% zinc. Little recent work has been completed around the Rockslide Zone; however, a historic sample collected from the area returned 0.98% copper with 1.31 g/t gold and 265 g/t silver.



Figure 8. Quartz, chalcopyrite and bornite vein developed within fine-grained, slightly biotite and feldspar porphyritic monzonite.



Figure 9. Patchy malachite and azurite after chalcopyrite found at the edges of quartz vein within medium-grained granodiorite.

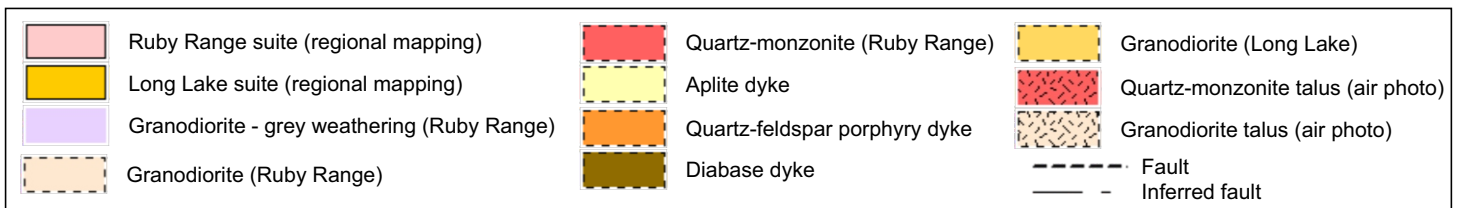


Figure 10. Generalized geology map of the Main Ridge and Main Cirque zones at the Meloy property showing location of 2019 diamond drill holes.

In 2019 a short diamond drill program was carried out west and south of the Main Ridge and Main Cirque zones (Figure 10). Three short holes (total of 953.72 m) were drilled in order to test for porphyry mineralization within the intrusive rocks underlying the highly elevated copper-in-soil anomaly and where high copper, molybdenum and gold values were obtained from several hand trenches. All holes were drilled at an azimuth of 110° and dip of 50° , roughly perpendicular to the orientation of mineralized fractures and dykes. Hole MY-19-001A was abandoned at shallow depths due to permafrost. Hole MY-19-001 intersected varying densities of weakly mineralized drusy quartz-veinlets in fine-grained, quartz monzonite and bands of disseminated molybdenite and chalcopyrite and returned 198 ppm molybdenum over 105.16 m. The two remaining holes did not return significant values of minerals of interest but did intersect abundant quartz veining and alteration that became more intense near the bottom of the holes. It is likely that drilling only tested the upper portions of the porphyry system and that deeper drilling is required to assess the true mineral potential of the Meloy property.

FOR MORE INFORMATION ON THIS PROPERTY

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