

GK PROPERTY

Gold-Copper High-Grade and Bulk Tonnage Prospect

- Located near infrastructure in a belt of major copper-gold porphyry and gold-rich vein deposits
- Five large and very strong gold-copper geochemical anomalies – measuring up to 2300 by 1000 m
- Only 2 drill holes on property – demonstrate high-grade vein potential with values to 13.1 g/t gold and 6.05% copper over 0.74 m
- No holes have tested porphyry targets
- Rock sampling returned 35.0 g/t gold, 15.90% copper, 120 g/t silver and 0.214% cobalt

The GK property covers an extensive hydrothermal system with high-grade and bulk tonnage gold and copper potential. It is owned 100% by Strategic Metals Ltd. and is not subject to any underlying royalty interests.

The property encompasses 35 mineral tenures (272 km²) that are located 13 km west of Telegraph Creek in northwest British Columbia (Figure 1). A government maintained road crosses the southern part of the property, approximately five kilometres from the nearest area of interest.

The GK property lies within the northwest portion of Stikinia (Figure 2), which is an accreted terrane that hosts prolific porphyry and high-grade vein deposits and mines, including: Red Chris Mine, and other copper-gold porphyry deposits; and the Brucejack Mine and formerly producing Golden Bear, Premier, and Snip high-grade gold mines (Figure 1).

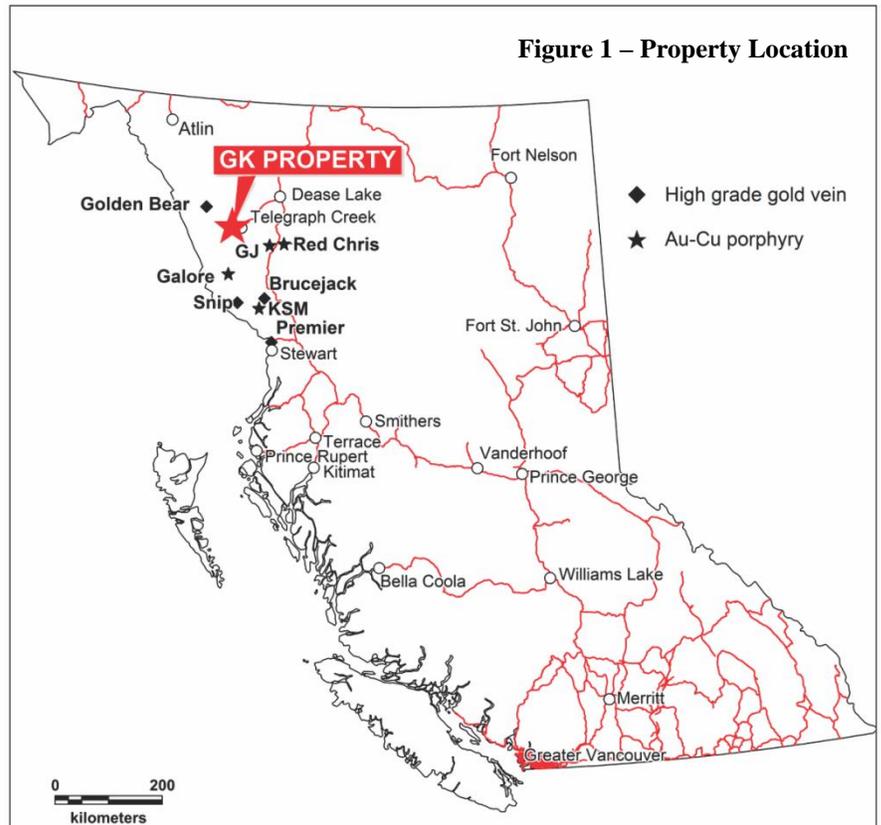


Photo – Typical Terrain at the GK property



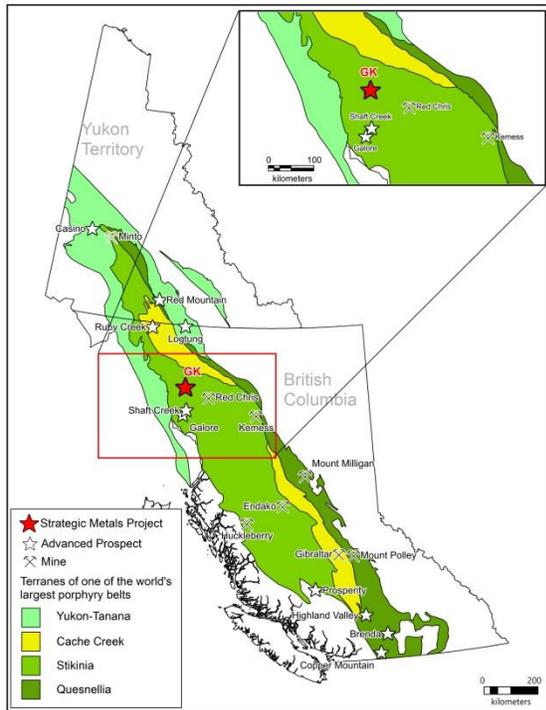


Figure 2 – Tectonic Setting

strike in both directions. Chip samples collected from six sites along the vein returned a weighted average of 6.22 g/t gold and 1.67% copper over an average width of 1.0 m, including one sample that yielded 12.9 g/t gold, 4.76% copper and 12.6 g/t silver over 1.9 m.

Grid and contour soil sampling on the property is very effective at detecting areas of mineralization. Five main soil anomalies, up to 2300 by 1000 m, with very strong gold-copper±silver±cobalt signatures have been identified to date. Peak values include: 6180 ppb gold (Figure 4), 6890 ppm copper (Figure 5), 59.9 ppm silver and 92 ppm cobalt. Three of the soil anomalies encompass mineralized showings; however, large areas within all of the anomalies are not explained by known mineralization and most have not yet been followed up.

In 2010, two diamond drill holes tested parts of one of the main soil anomaly. One of these holes was drilled below the Hungry Bear Showing and intersected the vein at a vertical depth of 75 m. The vein and adjacent wallrocks returned a weighted average of 1.38 g/t gold and 0.62% copper over 9.14 m, including 13.1 g/t gold and 6.05% copper over 0.74 m. Neither drill hole cut porphyry style mineralization but several short, gold-enriched intervals were encountered.

The GK property is primarily underlain by a sequence of Upper Triassic Stuhini Group volcanic and sedimentary rocks. This sequence is cut by two main Triassic or Jurassic, undifferentiated granodiorite to diorite plutons and at least four sets of dykes (Figure 3).

Prospecting on the property has identified several areas of mineralization, which largely lie within volcanic rocks around the periphery of the southernmost intrusion (Figure 3). Only one of these areas is entirely hosted within the intrusion. Mineralization is predominantly structurally controlled, and the typical sulphide assemblage is pyrite-chalcopyrite±pyrrhotite±chalcocite with secondary malachite and limonite. Peak values of 35.0 g/t gold, 15.90% copper, 120 g/t silver and 0.214% cobalt were obtained from specimen samples collected within the known areas of mineralization. The longest, continuously mineralized vein identified to date on the property (Hungry Bear Showing) was traced for 68 m by trenching and remains open along

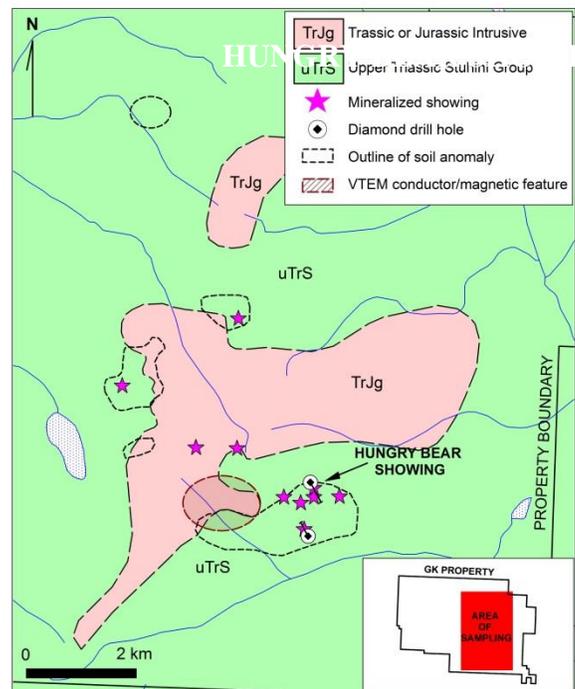
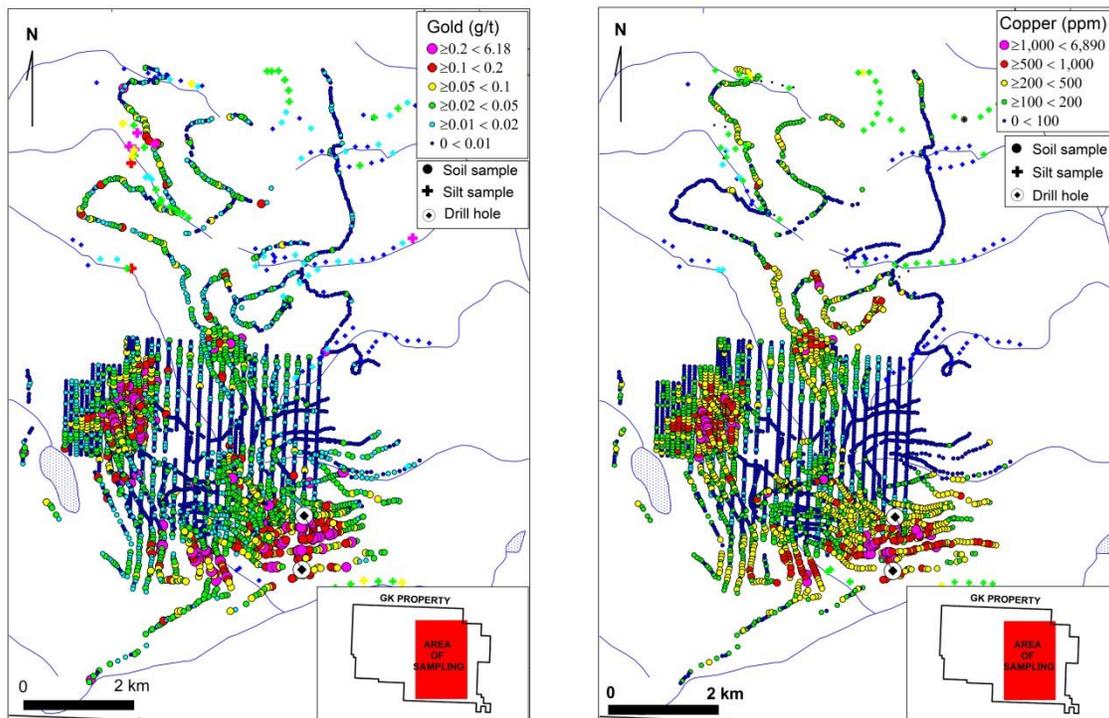


Figure 3 – Geology



Figures 4 and 5 – Gold- and copper-in-soil geochemistry

Helicopter-borne magnetic and versatile time domain electromagnetic surveys have been flown over the south-central part of the property. The magnetic survey identified a pronounced, oval shaped, semi-discrete high within one of the most geochemically anomalous drainages (Figure 3). This magnetic feature is associated with a broad zone of enhanced conductivity. It covers an overburden and vegetation covered cirque floor and has not received follow up work of any kind.

Little exploration has been conducted in the northern and western parts of the property. Historical pan concentrate and silt samples collected from five creeks in the northern part of the property returned encouraging gold and copper values.

Future work should consist of property-scale geological mapping; detailed prospecting and geological mapping within the known geochemical anomalies to better constrain the grades, styles and extents of mineralization; hand trenching to test beneath strong soil anomalies and along strike of mineralized exposures; prospecting within anomalous creeks in the northern half of the property; reconnaissance-scale contour soil sampling in the northern and western parts of the property, with follow-up detailed-scale grid soil sampling if mineralization is encountered; induced polarization and ground magnetic surveys across the cirque floor where the conductive/magnetic feature; and diamond drilling to delineate significant high grade or bulk tonnage targets.

FOR MORE INFORMATION ON THIS PROPERTY

Contact Richard Drechsler
 Phone: 604 687 2522
 Email: rdrechsler@strategicmetalsltd.com



Doug Eaton
 Phone: 604 688 2568
 Email: info@nordacres.com
www.strategicmetalsltd.com