

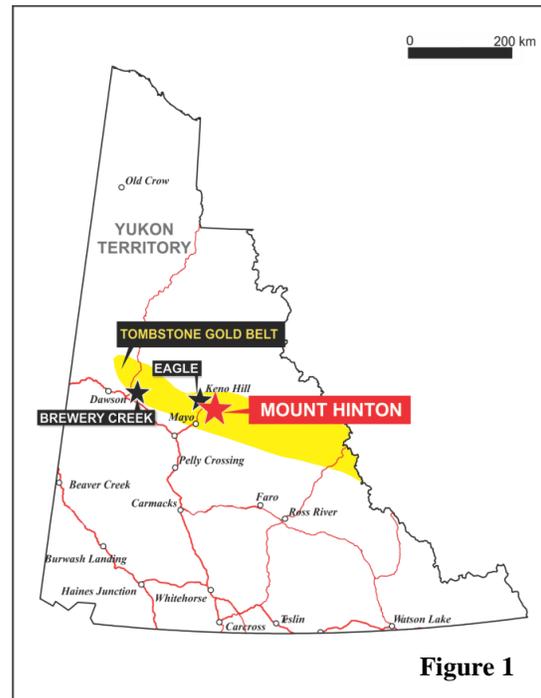
MOUNT HINTON PROPERTY

Strategic Metals' wholly-owned Mount Hinton property lies within the Tombstone Gold Belt and directly adjoins the prolific Keno Hill silver mining camp, which hosts more than 35 individual mines and is historically Canada's second largest primary silver producer (Figure 1). Between 1913 and 1990, 6657 tonnes (214 million ounces) of silver, 35,000 tonnes of lead and 21,000 tonnes of zinc were extracted from the Keno Hill camp. Average recovered grade was 1373 g/t (40.1 oz/ton) silver, 6.7% lead and 4.1% zinc.

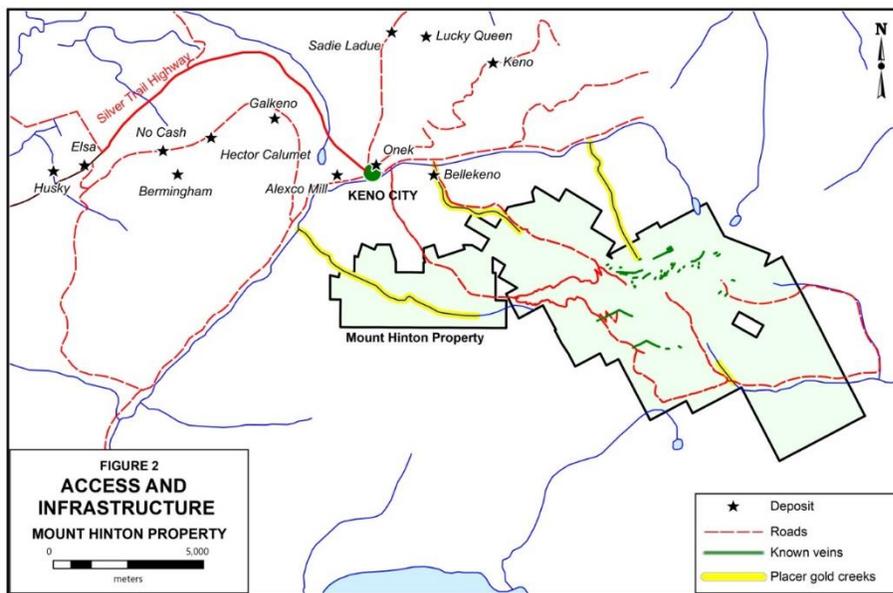
The Mount Hinton property covers an 83 sq km area that lies 4 km by road south of Keno City in central Yukon Territory. Alexco Resource Corp's 500 tpd mill is located directly west of Keno City (Figure 2).

The Mount Hinton property hosts numerous precious metal rich veins developed in steeply dipping dilatant zones, which cut the same stratigraphic package as the Keno Hill veins. Although silver mineralization is found in veins on the Mount Hinton property, gold is the main metal in most of the showings and occurrences. Historical work has identified several well mineralized veins that have not yet been tested by diamond drilling.

Creeks draining the property have yielded over 50,000 ounces of placer gold since 1978. Granite Creek, in the southeastern part of the property, is a new producer that has yielded 4570 ounces in the last three years. Nuggets mined from Granite Creek are wiry and crystalline and are thought to be near the bedrock source (see photo).

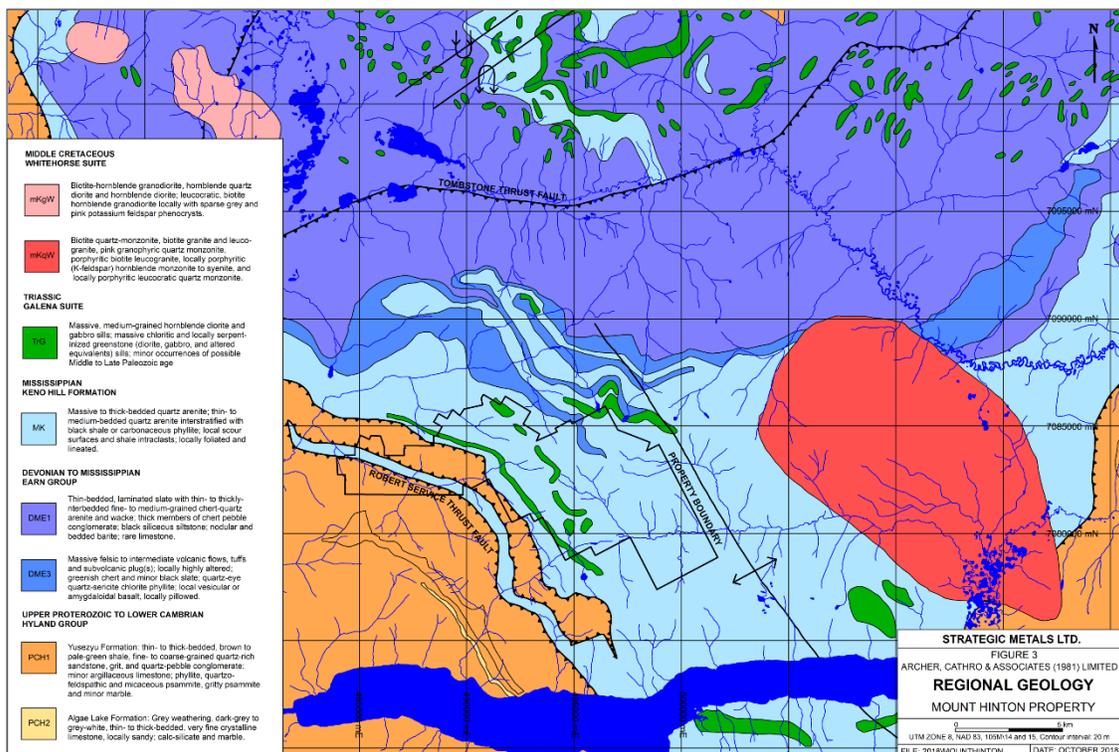


The Mount Hinton property lies within Selwyn Basin, a region of deep water, off-shelf sedimentation that persisted from Late Precambrian to Middle Devonian time. The property is largely underlain by interbedded Mississippian phyllitic quartzite, chloritic and carbonaceous phyllite and massive to well foliated quartzite with lesser limestone (Figure 3).



The Tombstone Thrust Fault, a major fault in the region, lies 10 km north of the property and the Robert Service Thrust Fault cuts across the southwestern side of the property. Regional deformation related to the thrust faults is characterized by intense foliations and lineations that were later deformed by north-northwest-

trending open folds, including the northwest-trending Mayo Lake antiform, which is located one kilometre east of the Mount Hinton property. A Mayo Suite, mid-Cretaceous (98-93 Ma) quartz monzonite pluton (Roops Lake) intrudes the stratified units five kilometres east of the property.

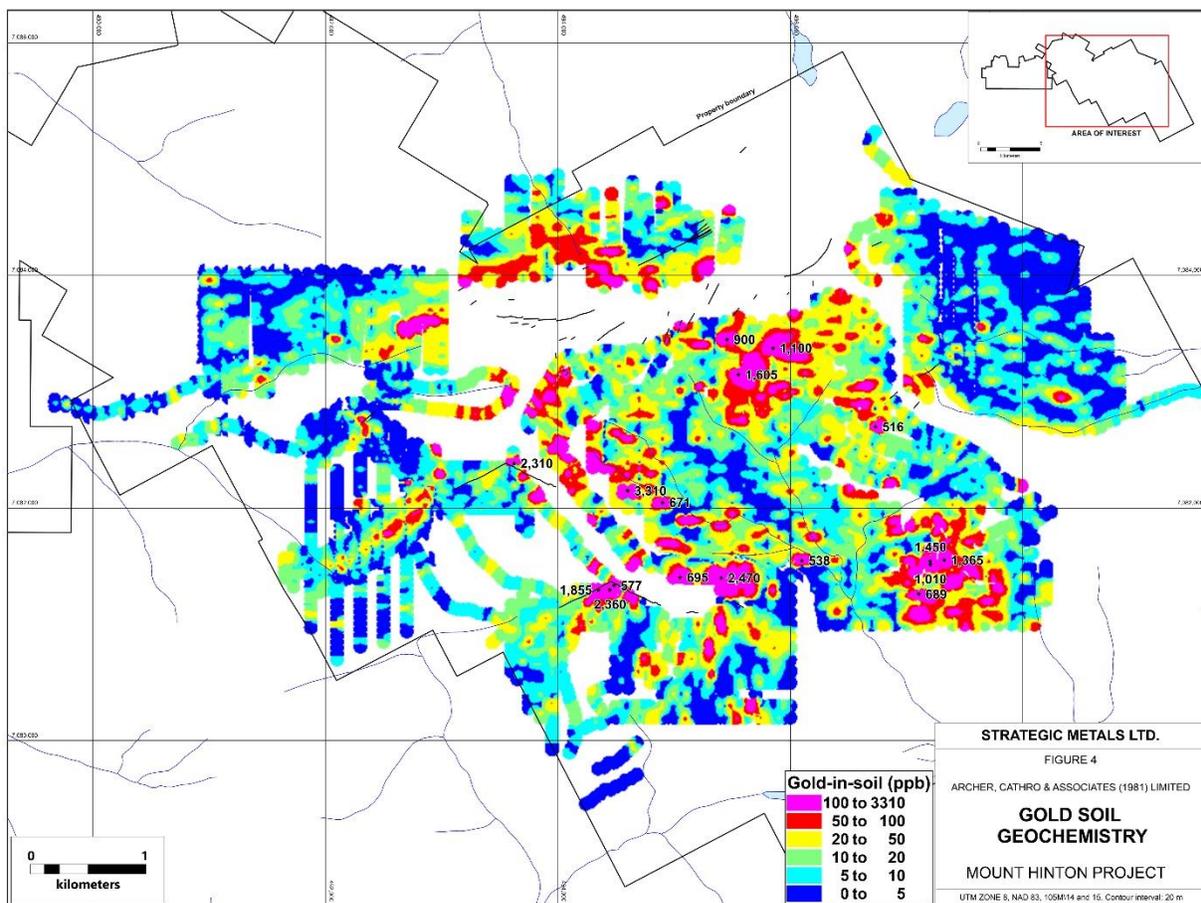


Intrusions of the Mayo Suite are spatially and genetically related to gold and tungsten deposits, including Eagle (Dublin Gulch), Ray Gulch, Scheelite Dome and Clear Creek. Historically the Roops Lake pluton was classified as a Tombstone Suite intrusion (94-90 Ma); however, age dating and airborne geophysics have proven that the two suites are different. The Tombstone Suite is characterized by a magnetic low signature and is genetically associated with gold and

silver deposits. Brewery Creek, Keno Hill and Fort Knox deposits are associated with Tombstone Suite intrusions.

The Mount Hinton veins mostly consist of fractured milky quartz hosting (in order of abundance) arsenopyrite, galena, jamesonite, pyrite, sphalerite and gold as well as weathering products such as scorodite, limonite and anglesite. Mineralized veins typically range between 0.5 and 3.0 m wide and grade between 5 and 30 g/t gold, 50 and 1500 g/t silver and 0.5 to 2.5% lead. Maximum grades of 127.5 g/t gold, 30,822 g/t silver, and 75% lead have been returned from rock samples. The highly fractured veins weather recessively and are usually hidden beneath felsenmeer and talus, but can form visible float trains on surface.

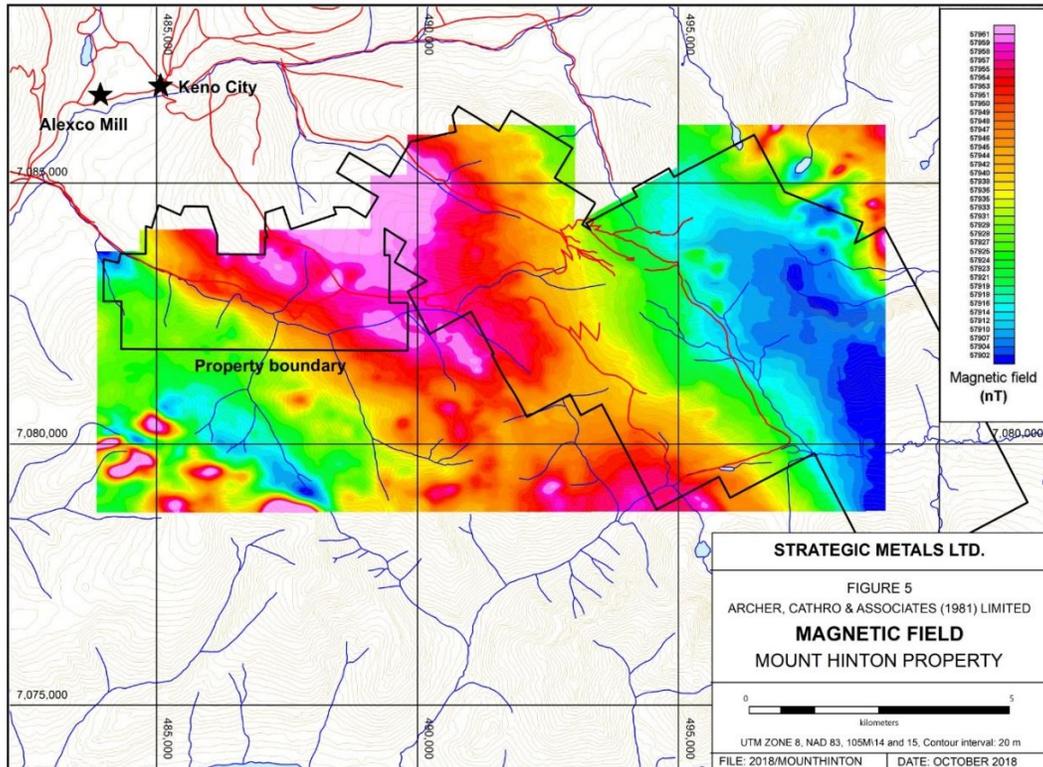
Soil geochemical surveys on the Mount Hinton property have outlined numerous, strong anomalies with coincidently high values for multiple metals. Figure 4 illustrates gold-in-soil geochemistry.



Peak soil sample values include 3310 ppb (3.31 g/t) gold, 485 ppm silver and 7520 ppm lead. Soil anomalies generally form linear to near-linear strings or circular to sub-rounded clusters. The circular to sub-rounded anomalies occur in the eastern part of the property.

In 2007, a VTEM airborne magnetic-electromagnetic survey was flown over the Mount Hinton property. Figure 5 illustrates the total field magnetics. This map identifies a north-northwest

trending magnetic low that covers most of the Granite Creek drainage and the circular gold-in-soil anomalies. The magnetic low is oblique to the stratigraphic and structural trends and could represent a buried, or unroofed, Tombstone Suite pluton. Most gold-rich veins and strong gold-in-soil signature at the Mount Hinton property are located within or adjacent to what is likely an unroofed pluton.



The distribution and size of mineralized veins at the Mount Hinton property are strongly controlled by lithological and structural features, and these controls must be carefully considered during future exploration. Relatively little drilling and trenching have been done to date on the Mount Hinton property, which suggests good potential for additional discoveries. The recently identified sub-circular soil anomalies in the eastern part of the property have not yet been prospected; but, based on their shapes and locations relative to the large magnetic low, they could represent sheet vein systems with bulk tonnage potential.

FOR MORE INFORMATION ON THIS PROPERTY



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