STRATEGIC METALS LTD.
MATERIAL CHANGE REPORT
FORM 51-102F3

Item 1 Name and Address of Company

State the full name of your company and the address of its principal office in Canada.

Strategic Metals Ltd. (the "Corporation")
Suite 1016 – 510 West Hastings Street
Vancouver, B.C.
V6B 1L8

Item 2 Date of Material Change

State the date of the material change.

August 9, 2012

Item 3 News Release

State the date and method(s) of dissemination of the news release issued under section 7.1 of National Instrument 51-102.

A news release dated August 10, 2012 was disseminated through Marketwire on the TSX Venture Exchange disclosure network and SEDAR filed.

Item 4 Summary of Material Change

Provide a brief but accurate summary of the nature and substance of the material change.

Pursuant to a royalty purchase agreement dated August 1, 2012 with an arm's-length purchaser, the Corporation agreed to sell three separate royalty interests for cash consideration of US $30 million (with a potential US $6 million increase in the purchase price as disclosed in sub-Item 5.1 of this Report). The closing of the sale of these royalty interests occurred on August 9, 2012.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

Supplement the summary required under Item 4 with sufficient disclosure to enable a reader to appreciate the significance and impact of the material change without having to refer to other material. Management is in the best position to determine what facts are significant and must disclose those facts in a meaningful manner. See also Item 7.

Some examples of significant facts relating to the material change include: dates, parties, terms and conditions, description of any assets, liabilities or capital affected, purpose, financial or dollar values, reasons for the change, and a general comment on the probable impact on the issuer or its subsidiaries. Specific financial forecasts would not normally be required.

Other additional disclosure may be appropriate depending on the particular situation.

Pursuant to a royalty purchase agreement dated August 1, 2012 with an arm's-length purchaser, the Corporation agreed to sell the following royalty interests to said purchaser:

(a) a 1% net smelter return royalty interest on any mineral production from the Kink 3 mineral claim that covers a substantial portion of the Wolverine zinc-silver-lead-copper-gold deposit in the Yukon Territory owned by Yukon Zinc Corporation (to be reduced to a 0.5% net smelter return royalty interest after a total of $500,000 in royalty payments have been made);

(b) a 1% net smelter return royalty interest in the Logtung property in the Yukon Territory and northern British Columbia owned by Largo Resources Ltd.; and

(c) a 5% net profits royalty interest in the Casino Project in the Yukon Territory (a copper-molybdenum-gold deposit) owned by Western Copper and Gold Corporation.

The consideration consisted of the following:

(a) an initial cash payment of US $30 million on closing; and

(b) an additional cash payment of US $6 million if the operator of the Casino Project has obtained all permits, licenses, certificates, registrations, consents, authorizations, approvals, privileges, waivers, exemptions, orders, rulings, agreements and other concessions from, of or with any governmental authority which are required by the operator of the Casino Project to construct and operate the Casino Project as a producing mine as contemplated by a feasibility study that is prepared in respect of the Casino Project and upon which said operator makes a positive construction decision including, without limitation, (i) a positive decision from the Yukon Environmental and Socio-Economic Assessment Board; (ii) a positive decision from the Canadian Environmental Assessment Agency; (iii) a Quartz Mining License, including requirements for a reclamation and closure plan, from the Yukon Government Energy, Mines and Resources/Minerals Resources Branch; (iv) a Type A Water Use License from the Yukon Water Board; and (v) a Metal Mining Effluent Regulation Schedule 2 Amendment from the Government of Canada prior to December 31, 2016.

The closing of the sale of these royalty interests occurred on August 9, 2012.

5.2 Disclosure for Restructuring Transactions

This item applies to a material change report filed in respect of the closing of a restructuring transaction under which securities are to be changed, exchanged, issued or distributed. This item does not apply if, in respect of the transaction, your company sent an information circular to its securityholders or filed a prospectus or a securities exchange takeover bid circular.

Include the disclosure for each entity that resulted from the restructuring transaction, if your company has an interest in that entity, required by section 14.2 of Form 51-102F5. You may satisfy the requirement to include this disclosure by incorporating the information by reference to another document.

Not applicable

Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102

If this Report is being filed on a confidential basis in reliance on subsection 7.1(2) of National Instrument 51-102, state the reasons for such reliance.

Not applicable

Item 7 Omitted Information

State whether any information has been omitted on the basis that it is confidential information.

In a separate letter to the applicable regulator or securities regulatory authority marked "Confidential" provide the reasons for your company's omission of confidential significant facts in the Report in sufficient detail to permit the applicable regulator or securities regulatory authority to determine whether to exercise its discretion to allow the omission of these significant facts.

Not applicable

Item 8 Executive Officer

Give the name and business telephone number of an executive officer of your company who is knowledgeable about the material change and the Report, or the name of an officer through whom such executive officer may be contacted.

For further information concerning the material change described in this Material Change Report (the "Report"), contact the following:

Ian J. Talbot, Chief Operating Officer
Telephone: 604-687-2522

Item 9 Date of Report

Date the Report.

This Report is dated August 13, 2012.