Strategic metals ltd.

1016 - 510 West Hastings Street
Vancouver, B.C. V6B 1L8
Tel: 604.688.2568

www.strategicmetalsltd.com
info@nordacres.com
TSX-V: SMD

Strategic Metals Ltd. reports more high grade assays from its Hartless Joe Property in Yukon Territory including 462 g/t gold over 0.40 m

July 28, 2016 -- Strategic Metals Ltd. (TSX-V: SMD) ("Strategic") is pleased to announce results from Phase 1 exploration work on its Hartless Joe property, located 28 km east-northeast of Whitehorse in southern Yukon Territory. High grade results were obtained from three separate showings located in the north-central portion of the property. Highlights from continuous chip samples taken from bedrock exposed in hand trenches include:

- **462 g/t gold and 79.6 g/t silver over 0.40 m (Queen Showing);**
- **44.3 g/t gold and 375 g/t silver over 2.10 m (King Showing);**
- **22.7 g/t gold and 195 g/t silver over 0.50 m (King Showing); and,**
- **16.9 g/t gold and 1420 g/t silver over 0.10 m (Ace Showing).**

The Hartless Joe property lies within the Stikinia Terrane, which hosts the precious metal rich deposits of the Golden Triangle in northern British Columbia. The deposits of the Golden Triangle contain vein, porphyry and stratabound mineralization and include the Brucejack/Snowfield project, the KSM project, the Premier mine and the Eskay Creek mine.

The 2016 work on the Hartless Joe property targeted stratabound horizons that occur in localized intravolcanic basins. Exploration has identified three showings (Ace, King and Queen) all of which contain minor galena, sphalerite, chalcopyrite and pyrite occurring as bands and disseminations within quartz horizons. The mineralized horizons have bedded sediments in their hanging walls and either altered volcanic flows or intrusive sills in their footwalls. The showings occur at different levels within the volcanic stratigraphy. The geological setting at Hartless Joe is somewhat similar to that of Eskay Creek; however, the mineralization is not massive sulphide and has low levels of detrimental metals, such as arsenic and antimony. Individual mineral showings are described in the following paragraphs and more complete assays from 2016 chip sampling are provided in Table I.

The **Ace Showing** is an historical occurrence that was identified by prospectors in the late 1960s. It lies 580 m east-southeast of the King Showing and 320 m northwest of the Queen Showing. It comprises a narrow quartz-rich horizon that has been traced in outcrop along a 90 m strike length. Historical sampling graded 27.4 g/t gold 78.9 g/t silver 2.2% lead 1.9% zinc over 0.10 m. This showing remains open along strike in both directions beneath talus.

The **King Showing** was found in 2015 when a chip sample across an isolated outcrop returned 60 g/t gold, 554 g/t silver, 5.01% lead and 0.35% copper over 1.2 m (see news release dated September 30, 2015). In 2016, a trench was dug to better expose the discovery outcrop and a second trench was dug 82 m along strike to the east. The trench at the discovery outcrop returned slightly lower values than the original sample but the second trench produced better results. Two other trenches were attempted to the east and west along strike, but neither reached bedrock due to thick talus cover.

The **Queen Showing** was discovered in 2016 near a ridge top. This showing has been traced in outcrop for 25 m along strike. It projects under a talus chute to the southwest and appears to pinch out to the northeast.

Table I – 2016 Chip Sample Highlights

Zone	Length (m)	Gold (g/t)	Silver (g/t)	Lead (%)	Zinc (%)	Copper (%)
Queen	0.40	462	79.6	1.02	0.12	0.28
King	2.10	44.3	375	2.04	1.31	0.14
King	0.50	22.7	195	2.02	4.45	0.22
Ace	0.10	16.9	1420	0.44	0.50	0.19

On July 13, 2016, Strategic received a Class 3 Land Use Approval for the Hartless Joe property, which allows advanced exploration. **Diamond drilling is scheduled to commence at the property in early August**.

The Hartless Joe property lies within overlapping traditional territories of the Kwanlin Dün First Nation (KDFN) and the Ta'an Kwäch'än Council (TKC). In late June 2016, a heritage resource impact assessment survey, KDFN and TKC elder property tour, and oral history recording were completed on the property in cooperation with Ecofor Consulting Ltd., KDFN and TKC.

Analytical work was done by ALS Minerals, with sample preparation in Whitehorse, Yukon or North Vancouver, British Columbia, and assays and geochemical analyses in North Vancouver, British Columbia. All rock samples were analyzed for gold by fire assay fusion and inductively coupled plasma-atomic emission spectrometry (Au-ICP21) and 48 other elements by four acid digestion and inductively coupled plasma-atomic emission spectroscopy (ME-MS61). Overlimit values were determined for gold by fire assay fusion and gravimetric finish (Au-GRA21). All samples with greater than 10 g/t gold were further analyzed by fire assay fusion and precious metal analysis – screen metallics gold, double minus (Au-SCR21). Gold results reported in this news release are from the Au-SCR21 analysis. Overlimit analysis for silver, lead and zinc were determined by four acid digestion and inductively coupled plasma-atomic emission spectroscopy (Ag-, Pb-, and Zn-OG62).

The 2016 field program on the Hartless Joe property was managed by Archer, Cathro & Associates (1981) Limited (Archer Cathro). Technical information in this news release has been approved by Heather Burrell, P. Geo., a senior geologist with Archer Cathro and a qualified person for the purpose of National Instrument 43-101.

Strategic has closed the private placement announced on July 25, 2016, consisting of the sale of 649,350 flow-through common shares at a price of $0.77 per share, for gross proceeds of $500,000. The proceeds from this private placement will be used to incur Canadian exploration expenditures as defined in the Income Tax Act (Canada). All expenditures will be incurred by Dec. 31, 2016. All shares issued under the private placement will be subject to a four-month hold period in Canada, expiring on November 29, 2016.

A finder's fee of $30,000 was paid to Secutor Capital Management Corp. of Toronto, Ontario.

About Strategic Metals Ltd.

Strategic is a project generator and the largest claim holder in Yukon, which the Fraser Institute recently rated as the best jurisdiction in Canada for mineral potential. Strategic's portfolio of more than 100 projects is the result of 50 years of focussed exploration and research by a team with a track record of major discoveries. Current projects available for option, joint venture or sale include drill-confirmed prospects and drill-ready targets with high-grade surface showings, geochemical anomalies and geophysical features, similar to those at nearby deposits.

Strategic has a current cash position of over $20 million and significant shareholdings in a number of active mineral exploration companies including 41.4% of Rockhaven Resources Ltd., 8.3% of ATAC Resources Ltd., 23.9% of Precipitate Gold Corp., and 16.5% of Silver Range Resources Ltd.

ON BEHALF OF THE BOARD

"W. Douglas Eaton"

President and Chief Executive Officer

For further information concerning Strategic or its various exploration projects please visit our website at www.strategicmetalsltd.com or contact:

Corporate Information	Investor Inquiries
Strategic Metals Ltd.	Richard Drechsler
W. Douglas Eaton	V.P. Communications

President and C.E.O.
Tel: (604) 688-2568

Tel: (604) 687-2522
NA Toll-Free: (888) 688-2522
rdrechsler@strategicmetalsltd.com
http://www.strategicmetalsltd.com

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