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Dawson Regional Planning Commission
PO Box 8010
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February 18, 2014

Re: Dawson Regional Land Use Plan

I am a Professional Geoscientist (P.Geo) registered with the Association of Professional Engineers and Geoscientists of British Columbia and am a partner in Archer, Cathro & Associates (1981) Limited. Since 1965, Archer Cathro has acted as geological consultants for many public and private mining ventures with interest in the Yukon.

I am writing this letter on behalf of Strategic Metals Ltd., which currently holds 12 properties within the Dawson Regional Land Use (DRLU) area. Collectively, these properties cover less than 200 sq. km of the total 46,000 sq. km DRLU area. The claims comprising these properties are registered with the Dawson Mining Recorder in the name of Archer Cathro, which holds them in-trust for Strategic Metals.

Strategic Metals' properties lie within Landscape Management Unit (LMUs) 10, 11, 13, 14, 16, 17, 20 and 26 (see attached map). Two of the properties lie partially within the Yukon River Corridor. Since staking, Strategic Metals and third-party optionees have spent in excess of \$3,280,000 on the 12 properties. The largest expenditures were made on the Eureka (\$1,914,595), Antimony Mountain (\$712,080) and Magnum (\$237,292) properties.

With respect to the Plan Alternatives A to E published in the Dawson Regional Planning Commission Plan Alternatives package, the devil is in the details. Specific restrictions and conditions associated with each land management category should have been established prior to requests for feedback, because the exact nature of the restrictions and conditions will strongly impact the amount and type of mineral exploration and development companies will be likely to conduct within each LMU category.

Concerns relating to the Dawson Land Use Planning Alternatives A to E:

- 1) The Integrated Management Area (IMA) sub-categories are loosely defined (low to high development intent), which makes it difficult to evaluate the impact of the restrictions for IMA II to IV with respect to exploration and development activities;
- 2) The criteria used to evaluate the mineral potential in the different LMUs was based on historical discoveries, and does not adequately reflect recent exploration expenditures and

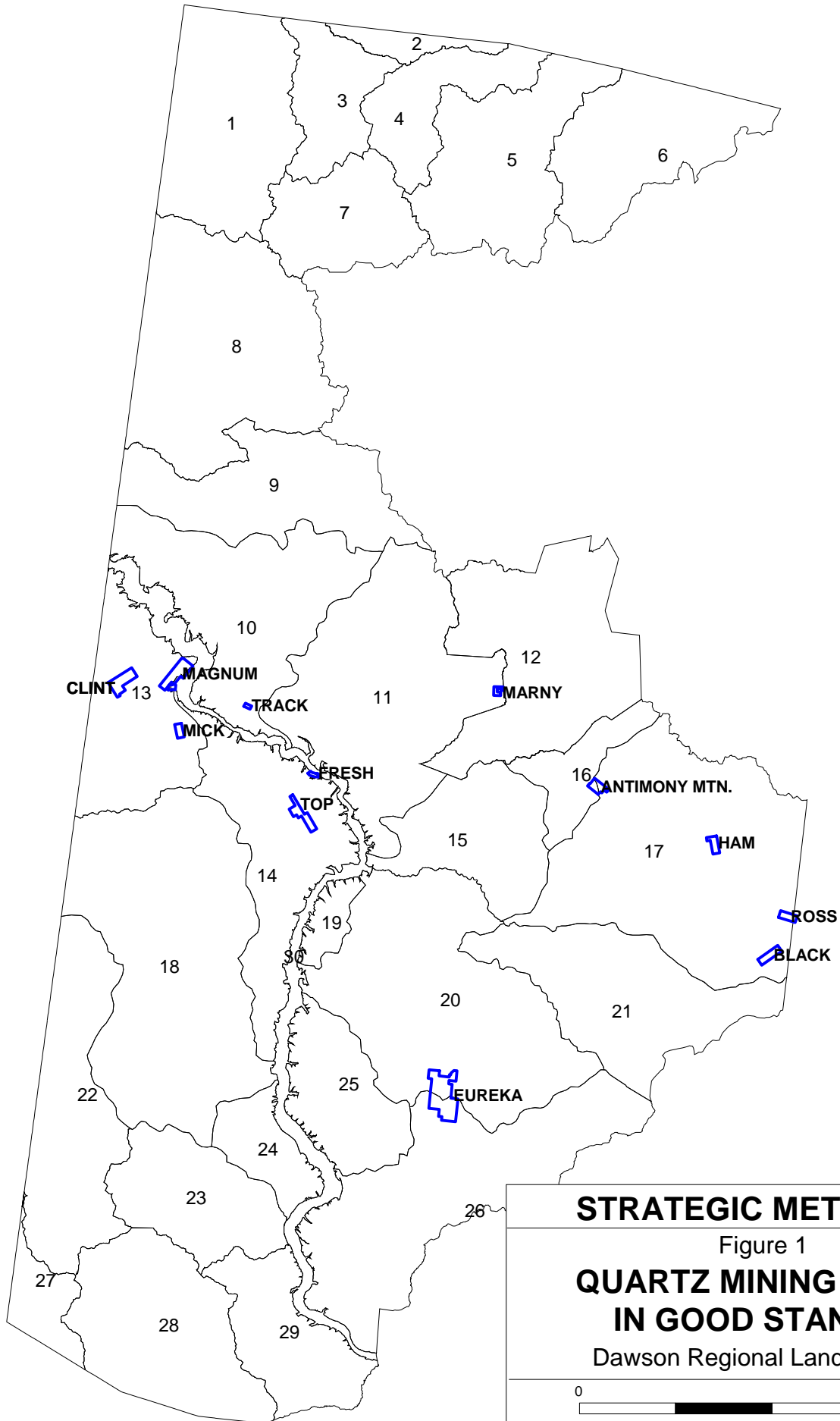
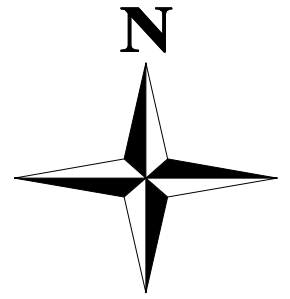
mineral claims currently in good standing. Re-evaluating the area using the latter criteria will provide a more accurate picture of the mineral potential within the DRLU area;

- 3) Future advances in technology may radically change demand for some metals and elements (thorium, vanadium, indium etc.) necessary for innovations in various hi-tech sectors (communication, energy etc.). Eliminating or too aggressively restricting exploration activities in some LMUs that are currently assigned low exploration potential may remove areas that may be prospective in future for hi-tech metals and elements;
- 4) Serendipitous discoveries of deposit types in geological settings that were previously not considered to have economic potential have been made throughout history in the Yukon. A recent example of this would be the Carlin-type gold discoveries in the “Rackla Gold Belt” 100 km northeast of Mayo;
- 5) The 10 year ‘interim withdrawal of sub-surface rights’ for the Traditional Economy Area will effectively render claims within these areas valueless because there is no reasonable chance of economic development in the foreseeable future. What compensation can current claim owners expect?
- 6) Notwithstanding the above comments, Strategic Metals favours adoption of Alternative D, but a more accurate reflection of mineral potential in the DRLU area is Alternative B; and,
- 7) Ideally LMUs 13, 14, 15, 17, 18, 20, 24, 25, 26 and 29 would be assigned to IMA IV because they appear to have the highest mineral potential based on current geological models and economic conditions.

Sincerely,



Heather Burrell, P.Geo



STRATEGIC METALS LTD.

Figure 1

**QUARTZ MINING CLAIMS
IN GOOD STANDING**

Dawson Regional Land Use Area

0 100 km

DATE: FEB 2014