

VANCOUVER, BC--(Marketwired - July 31, 2017) - [Strategic Metals Ltd.](#) (TSX VENTURE: SMD) ("Strategic") is pleased to announce that it has sold six projects located in the Tombstone Gold Belt of central Yukon to Territory Metals Corp. ("Territory"), a private arms-length company. The six precious metal projects (Mt. Hinton, Plata, Lance/Lois, News, Naws, Nels) are collectively referred to as the Tombstone Projects.

"Strategic looks forward to working with Territory's experienced and successful management team to advance this well located package of high-grade gold and silver projects," states Doug Eaton, President and CEO of Strategic. "During 2017, Strategic has concluded 11 property transactions and, with more than 100 quality projects still in our land bank, we expect to close more deals as this exploration cycle matures."

Territory will purchase 100% interests in all six projects under the following terms:

- Strategic will be issued common shares representing 19.9% of the outstanding shares of Territory after Territory has completed an initial public offering and raised at least \$2 million in working capital;
- Territory will pay \$500,000 to Strategic to repay 2017 exploration and acquisition costs incurred by Strategic on the Tombstone Projects;
- Strategic will hold a 2% net smelter return royalty (NSR) on any large-scale commercial production from the Tombstone Projects. Territory will have the right to purchase up to 1% of the NSR for \$1,500,000;
- Strategic will hold a 10% NSR on any small-scale high-grade production from the Tombstone Projects;
- Strategic will be paid a \$1,500,000 milestone payment if Territory identifies a 1 million ounce gold-equivalent resource on any of the Tombstone Projects. This milestone payment will increase by \$1.00 for each additional ounce of gold equivalent resource that is identified.
- If Territory decides at any time in the future to abandon its interest in any of the Tombstone Projects, the claims comprising that project will be offered back to Strategic at no cost and Territory will retain no interest in that project.

About Territory Metals Corp.

Territory Metals Corp. is a private corporation lead by a highly experienced exploration team. It plans to advance district scale precious metals projects located in the Yukon, Canada. Territory is working towards a public listing which is expected to take place in early 2018.

About Strategic Metals Ltd.

Strategic is a project generator with a portfolio of more than 100 projects that are the product of over 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, which resemble those at nearby deposits.

Strategic has a current cash position of over \$15 million and significant shareholdings in a number of active mineral exploration companies including 39.7% of [Rockhaven Resources Ltd.](#), 7.3% of [ATAC Resources Ltd.](#), 30.2% of [Precipitate Gold Corp.](#) and 14.3% 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](http://www.strategicmetalsltd.com).

*This news release may contain forward looking statements based on assumptions and judgments of management regarding future events or results that may prove to be inaccurate as a result of exploration and other risk factors beyond its control, and actual results may differ materially from the expected results.*

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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