STRATEGIC MINERALS EUROPE CORP.

(FORMERLY, BUCCANEER GOLD CORP.)

ANNUAL INFORMATION FORM

FOR THE YEAR ENDED DECEMBER 31, 2022

DATED: March 30, 2023

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ABOUT THIS ANNUAL INFORMATION FORM

In this annual information form ("**AIF**" or "**Annual Information Form**") unless otherwise indicated, or the context otherwise requires, references to "**Strategic**", "**the Company**", "**we**", "**us**" or "**our**" refer to Strategic Minerals Europe Corp. and its subsidiaries together and all references to "**$**" or "**dollars**" are to US dollars.

This Annual Information Form applies to the business activities and operations of the Company for the year ended December 31, 2022 as updated to March 30, 2023. Unless otherwise indicated, the information in this Annual Information Form is given as of the date hereof.

FORWARD LOOKING STATEMENTS

This Annual Information Form may contain or incorporate by reference information that constitutes "forward-looking information" or "forward-looking statements" (collectively, "**forward-looking information**") within the meaning of the applicable securities legislation. All statements, other than statements of historical fact, contained or incorporated by reference in this Annual Information Form including, but not limited to, any information as to the future financial or operating performance of the Company, constitutes forward-looking information. Forward-looking information involves known and unknown risks, uncertainties, and other factors that may cause the actual results, performance or achievements of the Company to be materially different from the forward-looking information contained herein. When used in this Annual Information Form, such information uses words such as "plans", "expects" "does not expect", "is expected", "budget", "scheduled", "estimates", "targets", "forecasts", "intends", "anticipates", "does not anticipate", "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur" or "be achieved" and any other similar terminology.

The forward-looking information contained herein reflects current expectations regarding future events and operating performance and speaks only as of the date of this Annual Information Form. Generally, forward-looking information involves significant risks and uncertainties; therefore, it should not be read as a guarantee of future performance or results and will not necessarily be an accurate indication of whether or not such results will be achieved. Undue reliance should not be placed on such statements. A number of factors could cause the actual results to differ materially from the results discussed in the forward-looking information, including but not limited to, the factors discussed under the heading entitled "Risk Factors" herein. Although the forward-looking information is based on what management of the Company believes are reasonable assumptions, the Company cannot assure readers that actual results will be consistent with the forward-looking information.

This Annual Information Form includes forward-looking information pertaining to, among other factors, the following:

- the size of the Company's mineral resources;
- the realization of the Company's mineral resources;
- the timing of development of undeveloped mineral resources;
- the costs related to the development and production of the Company's projects;
- the results of future production;

- supply and demand for tin and tantalum;
- expectations regarding the ability to raise capital and to continually add to resources and reserves through acquisitions, exploration and development;
- treatment under governmental regulatory regimes, labour environment and tax laws; and capital expenditure programs and the timing and method of financing thereof.

Forward-looking information is based upon a number of estimates and assumptions that, while considered reasonable by the Company as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. With respect to forward-looking information contained herein, the assumptions made by the Company include but are not limited to:

- that regulatory requirements will be maintained;
- future prices for tin and tantalum;
- future currency and interest rates;
- future prices for natural gas, fuel oil, electricity and other key supplies;
- the Company's ability to generate sufficient cash flow from operations and capital markets to meet its future obligations and continue as a going concern;
- there not being any significant disruption affecting operations, whether due to labour disruptions, supply disruptions, power disruptions, damage to equipment or otherwise;
- the Company's ability to obtain the necessary permits, including but not limited to, environmental and governmental permits to properly develop, operate and expand current and future projects;
- the development, expansion and assumed future results of any joint venture with parties on the Company's projects;
- political developments in any jurisdiction in which the Company operates being consistent with the Company's current expectations;
- the viability, economically and otherwise, of maintaining and developing the Penouta Project; and
- the Company's ability to obtain qualified staff and equipment in a timely and cost-efficient manner to meet the Company's demand.

Forward-looking information is based on current expectations, estimates and projections that involve a number of risks which could cause the actual results to vary and in some instances to differ materially from those described in the forward-looking information contained in this Annual Information Form. These material risks include, but are not limited to:

- uncertainties relating to COVID-19;
- geopolitical uncertainty and political and economic instability that affect global supply chains and global capital markets;

- volatility in the spot and forward price of tin, tantalum and niobium, or certain other commodities relevant to the Company's operation, such as diesel fuel and electricity;

- fluctuations in foreign exchange or interest rates and stock market volatility;

- risks associated with holding derivative instruments (such as credit risks, market liquidity risk and mark-to-market risk);

- changes in national and local government legislation, taxation, controls, regulations and political or economic developments in Canada or Spain, or other countries in which the Company does business or may carry on business in the future;

- competition for, among other things, capital, acquisition of mining property, undeveloped lands and skilled personnel;

- the intention to grow the business and operations of the Company;

- operational and technical problems;

- delays in obtaining required environmental and other licenses;

- uncertainties and hazards associated with exploration, development and mining, including but not limited to, environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins and flooding; and

- other factors further discussed under the heading entitled "*Risk Factors*".

Readers are cautioned that the foregoing lists of factors are not exhaustive. There can be no assurances that forward-looking information will prove to be accurate. Forward-looking information is provided for the purpose of providing information about management's expectations and plans relating to the future. The forward-looking information included in this Annual Information Form is qualified by these cautionary statements and those made in the Company's other filings with the securities regulators of Canada including, but not limited to, the cautionary statements made in the "Risks and Uncertainties" section of the Company's most recently filed Management's Discussion and Analysis.

The forward-looking information contained herein is made as of the date of this Annual Information Form and the Company assumes no obligations to update or revise it to reflect new events or circumstances, other than as required by applicable securities laws.

GLOSSARY OF TERMS

Whenever used in this Annual Information Form, unless the context otherwise requires, the following terms shall have the indicated meanings and grammatical variations of such words and terms have corresponding meanings. Words importing the singular number, where the context requires, include the plural and vice versa and words importing any gender include all genders.

"**2022 Annual Financial Statements**" means the audited consolidated financial statements for the year ended December 31, 2022.

“**2024 Warrants**” means the warrants to purchase up to an aggregate of 4,760,000 Common Shares at a price of CAD$0.25 for a period ending on October 13, 2024, issued by the Company in connection with the Convertible Debenture Offering, including the finder’s fee payable thereon.

“**2026 Warrants**” means the warrants to purchase up to an aggregate of 33,070,678 Common Shares at a price of CAD$0.40 for a period ending on July 15, 2026, issued by the Company in connection with completion of the Share Exchange.

“**affiliate**” **-** a company is an “affiliate” of another company if:

one of them is the subsidiary of the other, or
each of them is controlled by the same Person.

A company is “controlled” by a Person if:

i. voting securities of the company are held, other than by way of security only, by or for the benefit of that Person, and
ii. the voting securities, if voted, entitle the Person to elect a majority of the directors of the company.

A Person beneficially owns securities that are beneficially owned by:

i. a company controlled by that Person, or
ii. an affiliate of that Person or an affiliate of any company controlled by that Person.

“**Board**” means the board of directors of the Company.

“**Buccaneer**” means the Company’s predecessor Buccaneer Gold Corp., a corporation incorporated pursuant to the OBCA.

“**Buccaneer Shares**” means the Common Shares prior to the completion of the RTO.

“**CESGN Committee**” means the Company’s compensation, environmental, social and corporate governance and nomination committee.

“**Closing**” means the closing of the Share Exchange between Buccaneer and Strategic, which occurred on December 6, 2021.

“**Common Shares**” means the common shares of the Company.

“**Company**” means Strategic Minerals Europe Corp.

“**Convertible Debenture**” means one 10% senior unsecured convertible debenture having a face value of CAD$1,000, convertible into Common Shares of the Company at a conversion price of CAD$0.25 per Common Share and maturing on October 13, 2024, comprising part of the Units issued pursuant to the Convertible Debenture Offering.

“**Consolidation Resolution**” means the special resolution of the shareholders of Buccaneer approving the Consolidation.

"**Convertible Debenture Offering**" means the non-brokered private placement offering of 1,167.50 Units of Strategic at a price of CAD$1,000 per Unit for gross proceeds of CAD$1,167,500 completed in two tranches on October 13th, 2022, and November 15th, 2022.

"**Electric Royalties**" means Electric Royalties Ltd., a company incorporated pursuant to the laws of the Province of British Columbia.

"**Escrow Agreement**" means the escrow agreement among the Company, the Escrow Agent and certain securityholders of the Company in compliance with the requirements of the Exchange.

"**Escrow Agent**" means TSX Trust Company.

"**Exchange**" or "**NEO**" means the Neo Exchange Inc.

"**Filing Statement**" means the filing statement of the Company and SMEI dated December 6, 2021, including all appendices thereto.

"**Fiscal 2022**" means the financial year ended December 31, 2022.

"**Gross Revenue Royalty Transaction**" means the transaction whereby Electric Royalties acquired (i) a 0.75 percent gross revenue royalty on the production of the Penouta Project in exchange for a cash payment of CAD$1,000,000 and the issuance to Strategic of 500,000 common shares in the capital of Electric Royalties, and (ii) the option to acquire an additional 0.75% royalty at the Penouta Project in consideration of a further cash payment of CAD$1,250,000 until August 24, 2023, which royalty rates will be reduced to 0.5 percent respectively once CAD$1,670,000 in royalty revenues have been paid to Electric Royalties.

"**ILI**" refers to IberAmerican Lithium Inc., a corporation incorporated pursuant to the OBCA.

"**ILS**" refers to IberAmerican Lithium Spain, S.L., a corporation incorporated pursuant to the laws of Spain for purposes of the Lithium Project Option Agreement.

"**Lithium Permit 5186**" means the investigation permit Nº 5186 granted by the Xunta to SMS and transferred to ILS pursuant to the Lithium Project Option Agreement.

"**Lithium Permit 5191**" means the application permit by SMS to the Xunta for investigation permit No 5191 and transferred to ILS pursuant to the Lithium Project Option Agreement.

"**Lithium Permits**" means the Lithium Permit 5186 and the Lithium Permit 5191.

"**Lithium Project**" means the lithium exploration project owned and controlled by ILS, which consists of the Lithium Permits.

"**Lithium Project JV Agreement**" means the joint venture agreement, dated December 28, 2022, among ILI, Strategic, ILS. and SMS, which governs the development and anticipated operation of the Lithium Project, as amended on December 28, 2022.

"**Lithium Project Option Agreement**" means the option agreement dated December 28, 2022, among ILI, Strategic, and SMS pursuant to which ILI was granted an option to acquire 70% of the outstanding shares of ILS.

"**Lithium Project Shareholders' Agreement**" means the unanimous shareholders' agreement of ILS dated December 28, 2022, among ILI., Strategic, and ILS.

“**Massey Option Agreement**” means the option agreement dated October 9, 2004 between Buccaneer and Salmay Resources Inc., or its successors, pursuant to which Buccaneer obtained the right to earn a 100% undivided interest in the Massey Property subject to certain terms and conditions set out therein.

“**Massey Property**” means the silica mining property located north of Massey, Ontario in which the Company holds a 65% undivided interest, pursuant to the Massey Option Agreement.

“**MD&A**” means management’s discussion and analysis.

“**Name Change**” means the change of the name of Buccaneer to “Strategic Minerals Europe Corp.”

“**Name Change Resolution**” means the special resolution of the shareholders of Buccaneer approving the Name Change.

“**Nb**” means niobium.

“**NI 43-101**” means National Instrument 43-101 – “*Standards of Disclosure for Mineral Projects*”.

“**NI 51-102**” means National Instrument 51-102 – “*Continuous Disclosure Obligations*”.

“**Non-Brokered Offering**” means the non-brokered private placement offering of 29,025,000 units of SMEI at a price of CAD$0.25 per unit for gross proceeds of CAD$7,256,250, completed in multiple tranches in connection with the Transaction.

“**OBCA**” means the *Business Corporations Act* (Ontario), and the regulations made thereunder, as promulgated or amended from time to time.

“**OTCQB**” means the OTCQB Venture Market.

“**Penouta Project**” means the mining interests of the Company held by its subsidiary SMS in Ourense, Spain, identified by section C investigation permit no. 4880 and section B mining concession no. 61.

“**Penouta Project Technical Report**” means the NI 43-101 technical report prepared by the QP titled “An Updated Mineral Resource Estimate and NI 43-101 Technical Report on the Penouta Tin Deposit, Ourense, Galicia, Spain” with an effective date of March 5, 2021.

“**Person**” means a Company or individual.

“**QP**” means Martin Frank Pittuck, MSc. C.Eng, MIMMM, the qualified person that prepared the Penouta Project Technical Report.

“**Reverse Takeover**” or “**RTO**” or “**Transaction**” means the reverse takeover of Buccaneer by SMEI pursuant to the Share Exchange in accordance with the Share Exchange Agreement.

“**Salmay JV Agreement**” means the joint venture agreement dated April 11, 2005 between Buccaneer and Salmay Resources Inc., or its successors, pursuant to which the parties’ relationship with respect to the Massey Property was governed.

“**Stock Options**” means options entitling the holders to purchase Common Shares under the Option Plan.

“**Stock Option Plan**” means the amended and restated incentive stock option plan adopted by the Company upon Closing.

“**Share Exchange**” means the transactions contemplated by the Share Exchange Agreement, which include the issuance of Buccaneer Shares to Strategic Shareholders following the Consolidation.

“**Share Exchange Agreement**” means the Share Exchange Agreement dated as of August 24, 2021 between Buccaneer and Strategic, pursuant to which Buccaneer and Strategic agreed to the terms of the Share Exchange, as amended on November 3, 2021.

“**SMEI**” refers to Strategic Minerals Europe Inc., a corporation incorporated pursuant to the OBCA.

“**SMEI Shares**” means the common shares of SMEI.

“**SMS**” refers to Strategic Minerals Spain, S.L., a wholly-owned subsidiary of SMEI.

“**Sn**” means tin.

“SnO_2” means cassiterite.

“**Ta**” means tantalum.

“**Units**” means the securities issued pursuant to the Convertible Debenture Offering, with each Unit consisting of one Convertible Debenture and 2024 Warrants.

“**Warrants**” means the total of the 2024 Warrants and the 2026 Warrants combined.

“**Xunta**” means the Xunta de Galicia, being the Spanish mining regulatory authority with jurisdiction in respecting of the mining rights comprising the Lithium Project.

TERMS DEFINED ELSEWHERE IN THIS DOCUMENT

“**Audit Committee**” has the meaning set forth on page 52.

“**CFPOA**” has the meaning set forth on page 41.

“**Circular Economy**” has the meaning set forth on page 21.

“**Concession C Grant**” has the meaning set forth on page 12.

“**Consolidation**” has the meaning set forth on page 12.

“**CSE**” has the meaning set forth on page 11.

“**CSE Delisting**” has the meaning set forth on page 11.

“**Eligible Persons**” has the meaning set forth on page 46.

“**Environmental Policy**” has the meaning set forth on page 20.

“**Escrowed Shareholders**” has the meaning set forth on page 48.

“**Escrowed Warrants**” has the meaning set forth on page 48.

"**Executive Committee**" has the meaning as set forth on page 51.

"**IM**" has the meaning set forth on page 32.

"**Initial Release**" has the meaning set forth on page 48.

"**OK**" has the meaning set forth on page 28.

"**Plant**" has the meaning set forth on page 15.

"**Pre-RTO Period**" has the meaning set forth on page 11.

"**QAQC**" has the meaning set forth on page 26.

"**QKNA**" has the meaning set forth on page 27.

"**SEDI**" has the meaning set forth on page 49.

"**SRK**" has the meaning set forth on page 24.

"**Termination Date**" has the meaning set forth on page 46.

CORPORATE STRUCTURE

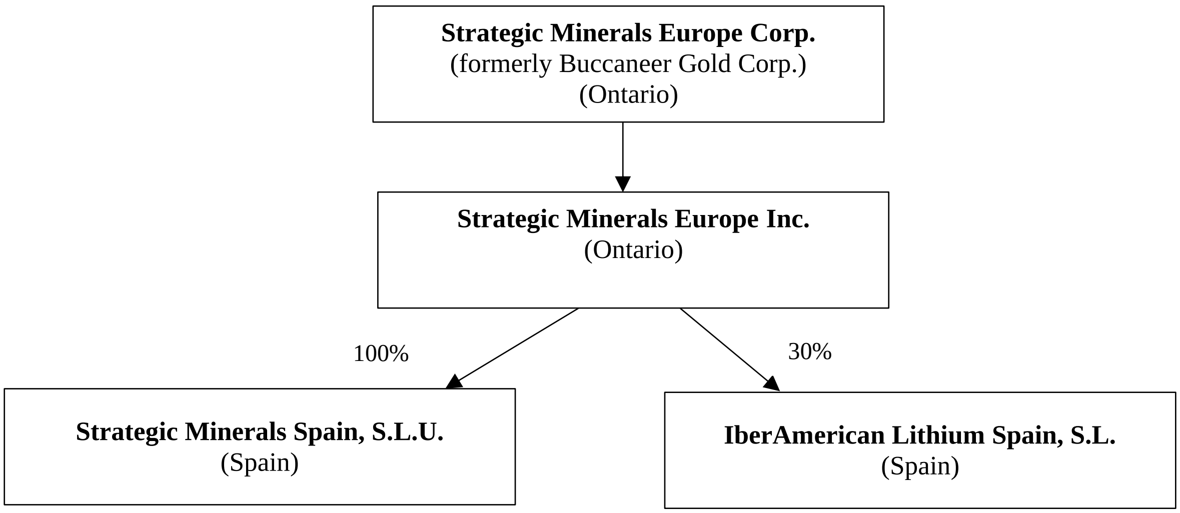
Name, Address and Incorporation

The full corporate name of the Company is "Strategic Minerals Europe Corp." The Company was registered and incorporated on October 4, 2004 under the OBCA as "Verbina Ventures Inc." On December 9, 2004, the Company filed articles of amendment under the OBCA to remove restrictions on the number of shareholders of the Company. On September 14, 2007, the Company filed articles of amendment under the OBCA to change its name to "Verbina Resources Inc.", and on April 11, 2011 filed articles of amendment under the OBCA to change its name to "Buccaneer Gold Corp." On December 6, 2021, the Company filed articles of amendment to effect a name change from "Buccaneer Gold Corp." to "Strategic Minerals Europe Corp."

Since December 6, 2021, the registered and records office of the Company is located at Suite 800, 365 Bay Street, Toronto, Ontario, M5H 2V1. The Company's head office is located at Calle Castellló 117, 5º oficina 533-536, 28006 Madrid.

Intercorporate Relationships

The Company has three material subsidiaries: Strategic Minerals Europe Corp. (SMEI) Strategic Minerals Spain, S.L.U. (SMS) and IberAmerican Lithium Spain, S.L. (ILS). The following chart sets forth the material intercorporate relationships of the Company.[1]



IberAmerican Lithium Spain, S.L. was incorporated on December 27, 2022 under the laws of Spain. SMEI acquired all of the issued and outstanding shares of ILS on January 27, 2023, making it a wholly-owned subsidiary. On December 28, 2022, the Company transferred 70% of the shares of ILS to ILI pursuant to the Lithium Project Option Agreement for consideration of CAD$2 million, leaving the Company with 30% ownership of ILS. Recognizing that it may take some time to incorporate ILS and transfer the Lithium Permits to ILS, the parties to the Lithium Project Option Agreement agreed that upon ILI exercising its 70% option, the Company and SMS shall hold 70% of the shares of ILS in trust until such time as the transfer of the Lithium Project from SMS to ILS is completed. The transfer of the Lithium Permits to ILS has yet to be completed, and ILS is not yet a subsidiary of the Company.

GENERAL DEVELOPMENT OF THE BUSINESS

Three Year History

September 30, 2019 – August 25, 2021 (the "Pre-RTO Period')

During the Pre-RTO Period, the Company was an exploration-stage junior mineral exploration company engaged in the identification, acquisition and exploration of precious metals in Canada. During these financial periods, the Company had one property, the Massey Property in Ontario, on which it performed only care and maintenance.

The primary business objective of Company during this period was to explore and, if warranted, develop, silica and other mineral projects in Massey, Ontario. For further details on the Massey Property, please see the NI 43-101 technical report on the Massey Property dated January 25, 2021, available under the Company's profile on SEDAR at www.SEDAR.com.

[1] 70% of the shares of ILS are held in trust for ILI by SMEI.

Except for contracts entered into in the ordinary course of business, the only contracts that were considered material that were effective during the Pre-RTO Period were the Massey Option Agreement and the Salmay JV Agreement. The Massey Option Agreement and the Salmay JV Agreement are available on SEDAR at www.SEDAR.com.

The Company advises readers that the Company has resigned as operator of Massey Property. On April 12, 2022, Strategic provided notice to Bear Creek Gold Ltd. of its election to terminate the Massey Option Agreement. The Company does not consider the Massey Option Agreement or the Salmay JV Agreement to be material.

CSE Listing

On January 25, 2021, the Buccaneer Shares were listed on the Canadian Securities Exchange (the "**CSE**") under the symbol "BUCK". On August 25, 2021, the Buccaneer Shares were halted upon the announcement of the Share Exchange with SMEI and on December 8, 2021 were voluntarily delisted from the CSE (the "**CSE Delisting**") in connection with the completion of the Share Exchange.

August 25, 2021 – December 6, 2021

On August 25, 2021, the Company announced that it had entered into the Share Exchange Agreement with SMEI and on December 6, 2021 the Share Exchange was completed. Pursuant to the Share Exchange, the holders of the issued and outstanding SMEI Shares received one post-Consolidation (as defined below) Buccaneer Share for each SMEI Share held, resulting in the issuance of 230,267,000 Common Shares. Buccaneer agreed to, and received, shareholder approval for the consolidation of its outstanding shares at a 5:1 ratio (the "**Consolidation**") to result in a total of approximately 6,204,333 Common Shares being held by existing Buccaneer shareholders in the Company. In connection with the completion of the Transaction, the Company issued approximately 31,519,395 2026 Warrants to the existing warrant holders of SMEI and issued approximately 1,551,083 2026 Warrants to shareholders of Buccaneer as of the record date of December 3, 2021.

On December 2, 2021, the shareholders of the Company approved the: (i) election of the current members of the Board of the Company; (ii) Name Change Resolution; (iii) Consolidation Resolution; (iv) Share Exchange; and (v) CSE Delisting.

For further information, readers are referred to the Filing Statement of the Company dated December 6, 2021 which was prepared in accordance with the requirements of the Exchange and filed under the Company's SEDAR profile at www.SEDAR.com.

December 6, 2021 – December 31, 2022

Upon completion of the Share Exchange, the Company assumed the business of SMEI, which is involved in the identification, exploration and development of mineral resource properties. Through its wholly-owned subsidiary, SMS, the Company holds 100% of the mining rights to the Penuota Project, located in the northwestern Spanish province of Ourense, and a 30% interest in the Lithium Project, located in the Galicia Region of northwestern Spain, through its 30% shareholding in ILS.

In connection with the Share Exchange, on December 14, 2021, the Company filed a "*Notice of Change in Corporate Structure*" pursuant to Section 4.9 of NI 51-102, which among other things, changed the fiscal year end of the Company from September 30 to December 31.

January 1, 2022 – December 31, 2022

On January 18, 2022, the Company filed a notice declaring an intention to qualify under NI 44-101 with respect to filing a short form prospectus.

On January 19, 2022, the Company announced that it had listed the 2026 Warrants on the Exchange, which the Company believes provides securityholders with another avenue to derive value from their securities.

<u>Open-Pit Production</u>

On January 25, 2022, the Company commenced open-pit production of tin and tantalum at its Penouta Project using soft rock from the top layer of the open pit, while awaiting an explosive permit to access hard rock contained in lower levels. In March 2022, the Company obtained the explosives permit and commenced explosive operations at the Penouta Project, which increased the production and quality of the Company's final products.

On May 23, 2022, the Company was granted the definitive concession of section C of the Penouta Project, consisting of 16 mining squares with an area of 155.8 hectares (the "**Concession C Grant**"), which allows the Company to fully develop the open pit mine to exploit cassiterite (tin), tantalum and niobium, and also to exploit the industrial minerals that exist in the mine, such as quartz, feldspars and micas for a 30 year term, which is renewable for up to 75 years. During the second quarter of 2022, the Company consolidated the transition to open pit mining at the Penouta Project and the commissioning of the new primary crushing plant.

In June 2022, eight shaking tables and a Flacon gravimetric concentrator were installed in an effort to increase gravimetric process capacity and the recovery of metallic minerals. With the installation of the eight shaking tables, the volume of ore in the gravimetric hour process was increased. The installation of the Falcon gravimetric concentrator increased the recovery of part of the fine metallic fraction between 4% - 7%.

Total production for 2022 reached a record of 541 tonnes and quality of concentrate improved during 2022 as well. Cassiterite concentrate production reached 455 tonnes with 70.4% tin content and tantalite/columbite concentrate production reached 86 tonnes with 23.3% tantalite content and 24.6% columbite content.

<u>Foreign Listings</u>

On February 24, 2022, the Company's Common Shares were listed on the Frankfurt Stock Exchange open market under the ticker symbol "26K0".

On July 25, 2022, the Company's Common Shares commenced trading on the OTCQB under the symbol "SNTAF", which the Company believes will provide greater visibility and convenience of trading for U.S. investors. The Company's Common Shares also became eligible for electronic clearing and settlement in the United States through the Depository Trust Company.

<u>Bank Guarantee</u>

On May 23, 2022, in connection with the Concession C Grant, the Company was required to provide a financial guarantee for the total amount of €3.243 million (equivalent to approximately $3.462 million at the closing exchange rate of euros to US dollars at December 31, 2022) to be established during the following five years, starting with a financial guarantee of €1.943 million (equivalent to approximately $2.074 million at the closing exchange rate of euros to US dollars at December 31, 2022) in the first year.

The total amount consists of the sum of two items: i) €1.618 million (equivalent to approximately $1.727 million at the closing exchange rate of euros to US dollars at December 31, 2022) in compliance with obligations related to the financing and viability of the mining works (4% of the investment budget); and ii) €1.625 million (equivalent to $1.735 million at the closing exchange rate of euros to US dollars at December 31, 2022) in compliance with the restoration plan.

On September 16, 2022, the Company entered into an agreement with Banco de Sabadell S.A. to provide a bank guarantee in the amount of €1.943 million (equivalent to approximately $2.074 million at the closing exchange rate of euros to US dollars at December 31, 2022) on behalf of the Company to cover the 2022 required obligations. Per the agreement, the Company is required to provide a deposit to the financial institution for the amount of €2.000 million (equivalent to approximately $2.135 million at the closing exchange rate of euros to US dollars at December 31, 2022) to be paid as follows:

- On September 16, 2022 – €0.800 million (equivalent to approximately $0.854 million at the closing exchange rate of euros to US dollars at December 31, 2022), which has been paid.
- On October 30, 2022 – €0.300 million (equivalent to approximately $0.320 million at the closing exchange rate of euros to US dollars at December 31, 2022) which has been paid.
- On March 30, 2023 – €0.400 million (equivalent to approximately $0.427 million at the closing exchange rate of euros to US dollars at December 31, 2022). On March 13, 2023, the Company requested an extension on this payment. Management expects to hear further regarding this request in the second quarter of 2023.
- On April 30, 2023 – €0.500 million (equivalent to approximately $0.534 million at the closing exchange rate of euros to US dollars at December 31, 2022). On March 13, 2023, the Company requested an extension on this payment. Management expects to hear further regarding this request in the second quarter of 2023.

Once the extension is approved, payments will change to €100,000 in July 2023, €200,000 in August 2023, and €150,000 from September to December 2023.

<u>Convertible Debenture Offering</u>

On October 13, 2022, Strategic closed the first tranche of its Convertible Debenture Offering for aggregate proceeds of CAD$1,017,500. The Company paid a 5% finder's fee of CAD$22,500, payable in Units. On November 15th, 2022, Strategic closed the second tranche of its Convertible Debenture Unit Offering for aggregate proceeds of CAD$150,000. In total, 1,190 Units and 4,760,000 2024 Warrants were issued, inclusive of the finder's fee. The Company used the net proceeds of the Convertible Debenture Offering to pay an installment of the financial guarantee required to be paid in connection with the Concession C Grant and for general working capital purposes.

<u>Option and Joint Venture Agreement with ILI.</u>

On December 28, 2022, the Company entered into the Lithium Project Option Agreement whereby ILI acquired a 70% interest in the Lithium Permits. Pursuant to the Lithium Project Option Agreement, ILI acquired a 70% interest in the Lithium Permits in consideration for (i) CAD$1 million paid to the Company on December 28, 2022; and (ii) a non-interest-bearing promissory note of ILI to pay to the Company an additional CAD$1 million by February 15, 2023, which was repaid on February 15, 2023.

The Company, SMS, ILS and ILI entered into the Lithium Project JV Agreement and the Lithium Project Shareholders' Agreement to govern the development and eventual operation of the Lithium Project. Under the Lithium Project JV Agreement, Strategic's 30% interest in the Lithium Project shall be carried at no cost until the completion of a prefeasibility study, after which Strategic will have the obligation to fund expenditures pro rata to its interest in the project. ILI is the operator under the Lithium Project JV Agreement.

The Company's 30% interest and ILI's 70% interest in the Lithium Project will be reflected in their respective shareholdings of ILS, and their duties and responsibilities as shareholders of ILS are defined in the Lithium Project Shareholders' Agreement.

January 1, 2023 – March 30, 2023

Power Purchase Agreement

The Company entered into a power purchase agreement with Enerxia Galega Mais, S.L. for its Penouta Mine, pursuant to which seven gigawatts of electricity will be supplied annually to the Company for five (5) years starting on January 1, 2023. A significant portion of the power will be from renewable energy sources and management expects to generate substantial cost savings.

Gross Revenue Royalty Transaction with Electric Royalties Ltd.

On November 15, 2022, Strategic announced that it entered into a letter of intent with Electric Royalties with respect to the Gross Revenue Royalty Transaction and on January 24, 2023, Strategic closed the Gross Revenue Royalty Transaction with Electric Royalties.

DESCRIPTION OF THE BUSINESS

General

Strategic is involved in the identification, exploration and development of mineral resource properties. Through its wholly-owned subsidiary, SMS, Strategic holds mining rights in the Penuota Project, located in the northwestern Spanish province of Ourense, and holds a 30% carried joint venture interest in the Lithium Project, located in the Galicia Region of northwestern Spain.

The Penouta Project represents an approximate 10.2 km^2 concession package located in the north-western Spanish province of Ourense near the towns of Penouta, Ramilo and Viana do Bolo in the municipality of Viana do Bolo, Spain. Mining in the Penouta Project area has been carried out since Roman times, with small underground galleries which followed cassiterite and tantalum mineralised quartz veins within the leucogranite. Recoverable tin and tantalum were deposited in the tailings and waste dumps during historic mining operations. The last exploitation period took place between 1971 and 1985. A total of 129 holes were drilled during six different drilling campaigns. The mine was abandoned in 1985.

The Penouta Project consists of two overlapping mining licenses for mining and exploration of the metallic minerals tin, tantalum and niobium and industrial minerals. The section B nº 61 license for exploitation of tailings and waste deposits was granted to SMS on May 6, 2013, for 30 years, under the Spanish Mining Act (1973). Commissioning of the gravimetric plant (the "**Plant**") to obtain tin, tantalum and niobium began in November 2017. After initial problems with design, flows and recoveries, JDS Engineering was engaged to advise SMS with regards to these issues, subsequent to which the Plant became fully operational at the end of the third quarter of 2018; the Plant has been fully operational (but for scheduled maintenance and shutdowns) since. The section C investigation permit Nº 4880, which covers the drilled extent of the Penouta tin and tantalum hard rock deposit, was most recently extended on February 6th, 2017, for a further three years. Prior to the end of this 3-year extension, on February 6th, 2020, SMS applied for the conversion of the investigation permit to a mining concession, and On May 23, 2022, the Company was granted the definitive concession on section C of the Penouta mine.

The Lithium Project consisting of the Lithium Permits, totals a 1,015-hectre mineral exploitation contract with granted mineral exploration rights for lithium, tin, tantalum and niobium. On January 28, 2021, SMS requested a 3-year extension of the Lithium Permit 5186 (Alberta II) and registered work plan. In connection with the extension request, the Mining and Geology Institute has issued a positive report on the Lithium Permit 5186. SMS expects an update from the Xunta on the application in May 2023. Additionally, Lithium Permit 5191 (Carlota) is currently under review by the Xunta. Geographically, the Lithium Project is located within the municipality of Avion, in the region of Galicia, Spain, approximately 440 km northwest of the Spanish capital of Madrid and 55 km to the south-east of Santiago de Compostela, the capital of the region.

The Lithium Project covers a rare type of geological formation referred to as an albite, spodumene, tantalum, tin bearing rare element pegmatite of the lithium-tantalum-cesium (LTC) rare element pegmatite class (Cerny, 1989). This type of pegmatite is one of the world's most important sources of tantalum and an important source of tin, lithium, cesium, rubidium and niobium and may include kaolin as well as other rare minerals.

Strategic is focused on improving its operations by increasing production in order to reduce unit costs, reinvesting profits to achieve organic and sustainable growth, and looking for new external financing opportunities. Strategic has formulated a strategic plan, which comprises two phases:

Phase 1: Development of the Penouta Project

- During phase one, Strategic will focus on expanding production at the Penouta Project. Up to the end of 2021, the Penouta Project produced concentrates from tailings. Given the nature of tail mining concentrate, production varied from 40 tonnes per month to 60 by the third quarter of 2021. This production was split 65%/35% between cassiterite and tantalum and niobium concentrates. Once the new crushing plant was operational in mid-January of 2022, the Company began the testing and commissioning process for certain equipment that allowed the Company to work with material from the open pit, which has allowed for increased production and quality of the concentrate.
- The Company, given the volume of its reserves, is evaluating whether to seek additional financing to expand the plant's capacity to increase concentrate production.
- The Company intends to set up a pilot plant to separate industrial minerals. This pilot plant would allow the Company to identify and separate specific minerals – namely feldspars, micas and quartz. There is potentially a large prospective market primarily supplied by imports from Turkey and other places. The Company has held talks with potential interested parties who are large distributors of industrial minerals to seek an agreement that, if successful, would allow these products to be distributed, thereby helping to reduce costs and increase cash flow. Additionally, Strategic Minerals intends to undertake further exploration work in the Company's Penouta Project permitted areas.
- In the final quarter of 2022, the Company experienced mechanical breakdowns which resulted in stoppages of its mining operations mainly due to the malfunctioning of the main mill at the Penouta Project. In February 2023, the Company undertook a major overhaul of its main ball mill, upgrading and renewing the main mill. The Company believes that this upgrade will help Strategic avoid experiencing the same amounts of downtime in production that it experienced in 2022.
- Amid cash constraints due to production interruptions and a severe drop in tin and tantalum prices, the Company has continued to work on its mine development plan by carrying out the necessary stripping to get to the higher mineralization areas. Resources from financing activities partially contributed to funding this expenditure. Work will continue during 2023 as access to higher mineralization has already been achieved.

- The Company is negotiating offtake agreements and financings, the proceeds of which will be used towards improvements in machinery and equipment which will eliminate redundancies in critical areas of the production process, therefore curbing downtime and operational inefficiencies in the future that are a result of mechanical and equipment malfunctions.

Phase 2: Expand exploration work on the Lithium Project

On December 28, 2022, Strategic Minerals entered into the Lithium Project JV Agreement in order to accelerate exploration on the Lithium Project while retaining a 30% interest in the property. The Company entered into the Lithium Project JV Agreement because it currently does not have the resources to carry on an exploration and development campaign of a second property in addition to its exploration and development of the Penouta Project. Given that there is strong market demand for lithium and in order to provide value to an asset that is not currently reflected in the valuation of the Company, the Company decided that the best way to proceed was with partners who possess market experience and who will be able to secure adequate financing for a faster development of the Lithium Project than Strategic could do on its own. Not only does the Lithium Project JV Agreement allow the Company to secure much needed capital, but it also allows Strategic to retain an important equity position in the Lithium Project, which interest is carried to prefeasibility.

Penouta Project

Strategic has one material mineral project – the Penouta Project.

The Penouta Project is located in the town of Penouta, which is approximately 10 km east of the town of Viana do Bolo. The project area can be accessed via OUR-533 a narrow 2-lane road which joins the C-533 two lane highway at Viana do Bolo. Access to the town of Viana do Bolo is via the A-52, a multiple lane highway which connects Ourense to Benavente. The roads are sealed and of good quality. The nearest airports are situated in the city of Vigo approximately 225 km, and in the city of Santiago de Compostela approximately 235 km, from Penouta on the A-52 and AP-53 multiple lane highways. Vigo and Oporto also have port facilities. The major cities of Salamanca and Madrid are approximately 251 km and 427 km from Penouta, respectively.

Strategic has undertaken various campaigns in order to evaluate the potential of the deposit at the Penouta Project. In the 2011 campaign, Strategic took samples and dug test pits in the large tailing ponds. These served to validate the historical data from the 1984 campaign and determine the volume of resources present in that pond. In the 2012 campaign, surveys were conducted, collecting core samples, to validate the historical surveys and reverse circulation probes by taking samples for metallurgical testing. In 2013, a systematic drilling campaign was undertaken to collect core samples from a 100 m x 100 m grid. Piezometric surveys were conducted for the hydrogeological study in the area, as well as channel sampling.

Strategic produces tin and tantalum/niobium concentrates at the Penouta Project. The technology used to produce these concentrates employs a simple process, without any chemical products or waste that is hazardous to the environment. The main stages of the process include: (i) milling; (ii) gravimetric concentration; and (iii) magnetic separation.

Strategic commissioned the equipment purchased in July 2021, much of which was installed by January 2022. The new equipment allowed Strategic to begin processing the loose material from the open pit and testing crushers, conveyor belts, automation processes and other new equipment and systems. Since receiving an explosives permit in March 2022, Strategic can access higher quality material for concentrate production. In 2023 Strategic estimates accessing 700-900 PPM of tin and 80-95 PPM of tantalite, up from 325-375 PPM and 60-75 PPM from tailings.

Strategic has carried out several development and research projects to provide added value to the minerals present in the Penouta Project; to date, two important research initiatives have been carried out:

- Pyrometallurgy: to produce 99.9% pure tin ingots and slags rich in tantalum and niobium from the smelting of the tin concentrate produced. This project will allow Strategic to offer smelting services or buy cassiterite from other small producers in Europe.
- Hydrometallurgy: to produce 99.5% pure tantalum salts and 99.5% pure niobium salts using the tantalum/niobium concentrates produced at the Penouta mine. This project remains under evaluation.

This research has been carried out in collaboration with the National Centre for Metallurgical Investigations (CENIM), Spain's metallurgical research centre. The process tests have been carried out at the laboratory and pilot level.

Lithium Project

Pursuant to the terms of the Lithium Project Option Agreement and the Lithium Project JV Agreement, Strategic has a 30% carried joint venture interest in the Lithium Project.

Strategic has conducted photointerpretation work, so as to identify possible areas of interest and developing a general cartography at the Lithium Project. Field reviews were also carried out to verify the areas of interest, taking chip samples to perform geochemical assays and develop detailed cartography.

In 2011, Strategic conducted a geological and geotechnical exploration campaign at the Lithium Project, consisting of a number of diamond drill holes, digging test pits, as well as channel sampling and chip sampling in outcrops.

In 2018, Strategic conducted a new geological and geophysical exploration campaign at the Lithium Project, consisting of photointerpretation, extensive soil geochemistry, detailed cartography, chip sampling, geophysical surveys and two diamond drill holes to confirm continuity of mineralized ore bodies at depth.

Strategic has carried out its mining research activities sustainably in order to evaluate the potential of any deposits at the Lithium Project. The planning phases for the geological mining research and exploration campaigns, as well as the survey and sampling activities to be conducted in the campaigns, are to be planned and controlled by ILI, the operator, pursuant to the Lithium Project JV Agreement.

On December 28, 2022, the Company entered into the Lithium Project JV Agreement, which governs the development and anticipated operation of the Lithium Project. The Lithium Project JV Agreement was entered into in order to accelerate the opportunity to explore, develop, exploit and the operate the Lithium Project.

At this time, Strategic does not consider the Lithium Project to be a material property.

Specialized Skill and Knowledge

Many aspects of the Company's business require specialized skills and knowledge. This includes, but is not limited to, personnel with skills and knowledge in the areas of geology, drilling, engineering, project managers, accounting. To date the Company has been able to retain such professionals with the requisite skills and experience and believes that it can continue to locate and retain such employees and consultants necessary to operate its business and achieve its corporate objectives.

Competitive Conditions

Strategic is in a strong position for the commercialization of its products, due to the lack of supply from Europe of the metals processed at the Penouta Project. This will allow Strategic to supply an unsatisfied demand in the European markets. The currently healthy demand for these metals in the Asian market should also help ensure continuity of business in this region.

The primary production of niobium ores and concentrates does not take place in Europe, nor does the production of ferroniobium. Therefore, the European Union relies entirely on imports of ferroniobium to meet its current demand.

Similarly, except for small quantities of tantalum obtained as a by-product of kaolin exploitation in France, there is currently no primary production for tantalum in the European Union except for the Penouta Project.[2] The European Union is a net importer of tantalum ores and concentrates. Imports of tantalum concentrates into the European Union primarily come from Africa, especially Congo and Rwanda.

There is also a strong need for tin concentrates, as current demand is not met by the available supply of tin.

Strategic produces "non-conflict materials", which are in high demand.

Cycles

The mining industry is cyclical in terms of mineral price cycles and worldwide economic cycles that are out of the Company's control. These cycles are impacted by the demand of consumers, the supply of labour and equipment, exchange rates, inflation and the strength of the global economy.

Economic Dependence

Due to the high demand for Strategic's products, Strategic has little to no economic dependence on one single contract, customer or supplier. Strategic sells its tantalite concentrates through independent contracts per parcel.

Strategic has offtake agreements for cassiterite with an international leader, Traxys Europe S.A., and is negotiating with other interested parties as production is expected to grow. Currently, Strategic has a one-year contract signed with Traxys Europe S.A. which covers Strategic's entire cassiterite production, estimated to be 200t of concentrates. This contract is currently being negotiated, with the potential for renewed and improved conditions for the Company.

The Company is also negotiating an offtake agreement for tantalum.

[2] Critical Raw Material Factsheets, September 2020. https://ec.europa.eu/growth/sectors/raw-materials/specific-interest/critical_en

Environmental Protection

Strategic is firmly grounded in its commitment to the environment and sustainable development. Strategic's primary objective is to prevent environmental damage and protect and rehabilitate the environment in areas where it conducts its mining activities.

Therefore, impact reduction or elimination is based on detailed pre-operational studies, which allow Strategic to accurately understand the environment in which Strategic conducts its activities.

A study of potential environmental impacts when designing projects is key to understanding the degree of the environmental effect and establishing and implementing a plan of action to minimize, eliminate and control this effect. Therefore, Strategic is fully committed to applying thorough environmental controls, ensuring that the environmental impact is adequately controlled.

Strategic incorporates state and local environmental standards in all of its projects. To minimize unavoidable impact, the primary objective is sustainable use of resources (geological, environmental, water and energy resources), energy efficiency, proper waste management and applying the best techniques available and most efficient equipment. It is very important to Strategic that it respect the environment when selecting processes and using operational equipment.

Understanding and respect for the environment is integrated into Strategic's operations through training and informational activities, for both Strategic employees and workers from other contracted companies.

Environmental Policy

Strategic has established an environmental policy (the "**Environmental Policy**") based on our responsibility to protect and rehabilitate the environment in areas where Strategic has conducted exploration and development work. Strategic's primary objective is to prevent environmental damage and protect and rehabilitate the environment in the areas affected by its mining activities. To do this, Strategic applies preventative measures at the Penouta Project to minimize its environmental impact as much as possible, reducing the impact that it would have in the surrounding area using protective and corrective measures. Historical mining operations in the area ceased in 1985, leaving behind an area that has been ecologically degraded ever since. Strategic is seeking to facilitate environmental recuperation of the area degraded by antiquated mining exploitation.

To meet the objective of reducing and eliminating its environmental impact, Strategic uses information extracted from detailed pre-operational studies conducted in the Penouta Project and surrounding areas, in order to get an accurate understanding of the environment where Strategic is conducting its mining operations. These studies include a hydrogeological and ecological study of the waters in the Penouta Project and surrounding areas which encompasses: (i) a climate study, (ii) a study on the quality of surface and subterranean water in the mine and surrounding areas, (iii) a bathymetric study, (iv) a study on the natural decantation of the mine's ponds, (v) a hydromorphological study, (vi) a study of the biological indicators of the rivers and ponds closest to the mining exploitation, (vii) a study of the flora in the mine and the environment, particularly those in areas protected under the European Commission's Natura 2000 network, (viii) a study of the fauna in the mine and the environment, particularly those in the Natura 2000 network, (ix) a soil study, in both the mining area and the natural environment, (x) an air quality study in the mining area and the environment, and (xi) noise emission in the environment.

There is also a continuous control and environment monitoring program in place for all work related to the Penouta Project. Companies hired for work at the Penouta Project are required to demonstrate the same environmental commitment.

Within the framework of the Environmental Policy, Strategic has a primary goal of rehabilitating the environment in the area of the Penouta Project. To do this, a restoration plan was established to ensure the environmental rehabilitation of the entire scope of the Penouta Project and includes the professional disassembly of all industrial facilities. For the sake of reaching this objective, Strategic is committed to progressively restoring and applying measures to recuperate the flora and fauna based on the criteria of surrounding landscape.

Given that the initial state of the mine and surrounding area was ecologically degraded before Strategic initiated its operations, Strategic intends to resolve the degradation before beginning environmental improvement activities in the area.

Strategic is currently working to evaluate the Plant's waste, with the goal of minimizing the environmental impacts generated by tailings ponds while adding value to the Penouta Project. Strategic is able to recirculate 75% of the water inputted into its equipment due to the lack of chemical reagents utilized in the process and the physical-chemical properties of the water. Strategic is working on reducing the amount of water lost in the process with an aim to increase the water recirculation rate. New equipment is in the process of being installed that is expected to lead to 85%-90% water reuse.

The Company's Environmental Policy was established to address our responsibility to avoid environmental damage and protect and rehabilitate the environment in areas where Strategic Minerals conducts exploration and development work.

SMS is committed to, among other things, the sustainable use of resources (geological, environmental, water and energy), energy efficiency, and proper waste management.

The Penouta Project has carried out actions, actively and voluntarily, aimed at the social, economic and environmental improvement of its surroundings. It is a circular economy project ("**Circular Economy**"), in which abandoned mining waste is valorized and generates economic, environmental and social benefits. The Circular Economy looks beyond the current take-make-waste extractive industrial model; a Circular Economy aims to redefine growth, focusing on positive society-wide benefits. It entails gradually decoupling economic activity from consuming finite resources and designing waste out of the system. Underpinned by the transition to renewable energy resources, the Circular Economy builds economic, natural and social capital.

From an environmental point of view, SMS has designed optimal, effective and resource-efficient processes, which allow the maximum use and value-creation from the waste from the old mine located at the Penouta Project.

The Penouta Project has the following environmental strengths:

- Mining exploitation in a previous environmentally degraded area: after mining, environmental restoration techniques will be applied. The ecological quality will improve with respect to the current state and provide uses non-existent today.
- Obtaining metals from mining wastes in a conflict-free zone.
- The design of the modern mining plant allows the efficient use of energy and water resources. In this process, chemical substances are avoided because it is an exclusively gravimetric process.

To achieve the goal of reducing and eliminating environmental impact, SMS uses information extracted from a detailed pre-operational study conducted in and around the Penouta Project, which includes, for example:

- Climate study.
- Surface water and groundwater study.
- Vegetation study, inventory and distribution of vegetal species.
- Wildlife study through birdwatching.

This environmental information is used to carry out operational control and restoration work.

Restoration work began in 2019 by planting trees around the mine facilities. In September 2022, the Company initiated the restoration of the first tailings pond, planting endemic trees to protect the local ecosystem. In January and February 2023, planting work continued in the restoration of the first tailings pond.

In relation to operational environmental impacts, methods are applied to eliminate or reduce those impacts as much as possible. For the identification and preventative control of those impacts, SMS carries out an environmental monitoring plan. Thus:

- SMS carries out annual dust environmental noise measurements, and vibrations.
- Production requires water and energy consumption; to minimize, for example, water consumption, a process plant has been designed to reuse 75% of the water.
- The gravimetric process does not include any chemicals so that the process water is not affected by chemicals.
- SMS carries out numerous water quality controls, both surface and groundwater.
- SMS also carries out continuous monitoring of flora and fauna. It uses measures to protect fauna, such as fencing to prevent them from passing through.
- The Company has an industrial waste management system.
- SMS monitors restored areas.

As part of its environmental commitment, SMS also provides continuous training to its workers and the personnel of contracted companies, with whom it has signed an agreement to comply with environmental standards.

During 2022, the Company implemented the UNE-EN ISO 14001[3] Environment Management Systems Standard, as well as the UNE 22470[4] and UNE 2248[5] Standards on Sustainable Mining Management Systems. The Company plans to carry out the certification process for this management system in 2023.

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[3] ISO 14001 provides organizations with a framework to protect the environment and respond to changing environmental conditions, in balance with socio-economic needs, by specifying the requirements for an efficient environmental management system.

[4] UNE 22470 Standard aims to establish economic, social and environmental indicators to evaluate the implementation of a sustainable mining-mineral-metallurgical management system. It applies to mining, mineral concentration or transformation and extractive metallurgical industries.

[5] UNE 22480 Standard specifies the requirements for a sustainable mining-mineral-metallurgical management system, aimed at enabling an organization to develop a system for continuous improvement in the performance of sustainability criteria, considering legal requirements and significant sustainability aspects to which the organization subscribes, regardless of the type of mining activity carried out.

From the Social Perspective

The Company has signed collaboration agreements with local communities to prioritize hiring resident workers and promote the execution of service contracts with local companies. As a result of these commitments, 75% of the direct workers employed by the Company belong to the nearby area of the Viana do Bolo Council, which increases to 82% of the direct workers for the geographical region of the province of Ourense.

- At least 30% of the personnel to be employed by the different contractors of the Company (services contracted with companies in the area, such as canteen service, civil works, earthworks, etc.) are agreed to be local staff. As a result, 79% of mine contractors' personnel are from the council of Viana do Bolo and its immediate surroundings, and 85% are from the province of Ourense.
- This has resulted in the creation of 76 direct jobs and 33 indirect jobs that have benefited a region that has experienced decades of economic decline and depopulation.
- Additionally, the Company continues to organize regular student visits with the Viana do Bolo School and collaborates with the local high school to create vocational training centers, thereby helping the students of the province to develop not only theoretical but also practical training through the Company operations. The Company will continue to create jobs in a very degraded rural area.

Corporate Sustainability Actions

During the short time that the Company has been operating, SMS has been awarded several recognitions:

- Since April 2017, the Mining waste exploitation of the Penouta Project has been mentioned in the Circular Economy Industry Platform of the Business Europe website (http://www.circulary.eu/project/strategic-minerals-recycled-mining-waste/). This is the largest organization representing European companies of all sizes and sectors related to featured projects on the Circular Economy.
- Among the 21 Spanish companies on this platform, SMS aims to be a reference for sustainable mining, in which abandoned waste is revalued and generates economic, environmental, and social benefits within the Circular Economy framework.
- In addition, SMS was selected to be part of a European study to support the preparation of the best practices guide in the waste management plans of the extractive industries in accordance with article 5 of Directive 2006/21/ EC, which was published in February of this year.
- SMS has received recognition within the European Union as an example of good practices in Circular Economy. Specifically, we are mentioned in several sections of Circular Economy reports and critical raw materials of the European Commission, which include:

    - Raw Materials and the Circular Economy, JRC Science for Policy Report, December 2017 (https://publications.jrc.ec.europa.eu/repository/bitstream/JRC108710/jrc108710-pdf- 21-12-2017_final.pdf)
    - Report on Critical Raw Materials and the Circular Economy, January 2018. (https://op.europa.eu/en/publication-detail/-/publication/d1be1b43-e18f-11e8-b690-01aa75ed71a1/language-en)
    - Development of a guidance document on best practices in the Extractive Waste Management Plans. Circular Economy Action, January 2019 (https://op.europa.eu/en/publication-detail/-/publication/f18472f8-36aa-11e9-8d04-01aa75ed71a1/language-en/format-PDF/source-87989698)

These recognitions have resulted in the 2019 JRC Science for Policy Report (Recovery of critical and other raw materials from mining waste and landfills. State of play on existing practices) recognizing the Penouta Project as being one of the 10 examples of European mining projects reflecting good practices in the recovery of critical raw materials. https://ec.europa.eu/jrc/en/publication/recoverycritical-and-other-raw-materials-mining-waste-and-landfills:

- Since February 2019, SMS is also part of the Sustainable Mining of Galicia platform (https://minariasostible.gal/es/metales/), which includes mining companies that exploit raw materials in a sustainable way in Galicia.
- Also, in 2020, SMS was one of the 25 companies awarded the European Business Environmental Awards in the EBAE 2019/2020 edition, selected among 115 nominations.

These awards recognize those companies that successfully combine the economic viability of their businesses with the protection of the environment.

Additionally, SMS has been involved in European associations for the development of the critical raw materials sector, from the point of view of sustainability and the Circular Economy:

- October 2020: application for the selection of personnel for the renewal of the members of the governance group DG Grow of EIP on Raw Materials.
- Since December 2020: Strategic Minerals has been a member of the European Raw Material Alliance (ERMA). https://erma.eu/

Employees

Strategic had an average of 64 employees throughout 2022; the number varies by an immaterial amount according to season.

Foreign Operations

The Company's mining activities are located and carried out in Spain. The Company's activities in a foreign jurisdiction may be affected by political or economic instability, as well as changes in government regulations. Shifts in regulations with respect to the allowance of permits, production, price controls, income taxes, expropriation of property, site safety and environmental legislation may affect the Company's activities.

MATERIAL MINERAL PROJECT – PENOUTA PROJECT

Current Technical Report

The Company has one material mineral project described below. To satisfy the reporting requirements of National Instrument 51-102F2 with respect to the Company's material mineral project, the Company has opted, as permitted by National Instrument 51-102F2, to reproduce the complete text of the Summary section of the NI 43-101 technical report prepared by SRK Consulting (UK) Limited ("**SRK**") consultant Martin Pittuck (Resource Geology) titled "An Updated Mineral Resource Estimate and NI 43-101 Technical Report on the Penouta Tin Deposit, Ourense, Galicia, Spain" with an effective date of March 5, 2021 (the "**Penouta Project Technical Report**"). The Penouta Project Technical Report is incorporated by reference herein and is available under the Company's profile on SEDAR at www.SEDAR.com.

Martin Pittuck (Resource Geology), author of the Penouta Project Technical Report, is a qualified person for the purposes of NI 43-101, and has reviewed and approved the scientific and technical disclosure contained in this Annual Information Form.

The Mineral Resource Statement presented herein has an effective date of 5th March 2021 and the QP with overall responsibility for this report is SRK geologist Mr. Martin Pittuck, Corporate Consultant at SRK.

Because the following section is derived entirely from the summary section of the Penouta Project Technical Report, defined terms in the following summary may differ from those used in this Annual Information Form. All currency references in the following summary are to US dollars unless otherwise noted.

Penouta Project Description, Location and Access

The Penouta project represents an approximate 10.2 km^2 concession package is located in the north-western Spanish province of Ourense near the towns of Penouta, San Martin Ramilo and Viana do Bolo in the municipality of Viana do Bolo. The nearest major town is Ourense approximately 134 km to the north-west. The Project's climate is typically mild, with a high average rainfall of 1191 mm annually.

SMS currently owns an industrial plant for re-processing old tailings derived from historical surface workings, constructed in 2017. Infrastructure at the site relates to this operation, and includes a power and water supply, road access, ancillary facilities (workshop, laboratory, offices etc.) Water for the plant is currently sourced from a meteoric accumulation in an old tailings pond.

The project is located in a mountainous area of the Penba Trevinca foothills at an elevation of approximately 1,300 m above mean sea level ("amsl").

Penouta Project History

Historically, the Project has been mined since Roman times, with small underground workings following mineralised quartz veins within the leucogranite. In the early 1900s, a small mining lease was granted, with workings primarily for kaolin, followed by a number of other mining leases in the area.

The Penouta Mine was historically operated by RUMASA between 1976 and 1982, extracting cassiterite and tantalum mineralisation by open pit methods. Mining targeted the kaolinized leucogranite and portions of the country rock sufficiently muscovitised to allow free digging. A pit approximately 250 m long and 150 m wide was excavated; currently filled with water. No information is available on the tonnage or grade produced. Tailings from this pit are currently being reprocessed by SMS.

Geological Setting, Mineralisation and Deposit Types

The Penouta Project is located in the Central Iberian Zone of the Iberian Massif, incorporating the north-western part of the "Ollo de Sapo" Formation. The regional geology is comprised of the Viana do Bolo Series including the Covelo orthogneisses, the Ollo de Sapo Formation, and the Penouta alkaline granite. The geology within the Penouta Project area is comprised of predominantly metamorphic rocks with minor deformed igneous rocks. An alkaline Granite (the Penouta Leucogranite) is the predominant host rock of cassiterite and tantalite ore. The metamorphic rocks are high grade metamorphic schists.

Locally, there are two sets of fractures which are aligned north-south and east-west. It is thought the north-south features are related to the regional fault network, whilst the east-west features are potentially related to the La Potrilla system of fractures.

Emplacement of the Penouta alkaline granite is assumed to have occurred after the main deformational phases of the Variscan Orogeny (Díez Montes, 2006). Formation of the alkaline granite is thought to be the result of a combination of: a) the fractional crystallization of an evolved melt enriched in volatiles and rare-elements; and b) strong metasomatism and hydrothermal alteration of an evolved two-mica granite.

Cassiterite and columbite-tantalite are disseminated throughout the leucogranite; crystallisation of these minerals is thought to have occurred during a late magmatic event, probably as a consequence of albitisation. The muscovitisation, greisenisation, and silicification of the granitic cupola would have occurred during later hydrothermal events at temperatures of between 250 and 410°C (Mangas and Arribas, 1991). Crystallisation of cassiterite containing quartz veins would also have occurred during this time. Kaolinisation of the original granitic body would have occurred at a later stage.

Exploration, Drilling, and Sampling

Historical exploration in the Penouta area included soil geochemistry, stream sediment sampling, petrographic and geochemical analyses and geophysical studies. Historical drilling was undertaken between 1982 and 1985 when a total of 72 holes were drilled totalling 8089.5 m of diamond drill core. Only 30 of the historical drillholes had complete analysis for tantalum and tin, 42 of the historical holes had only part analysis for tantalum and tin. This historical database was verified by a SMS diamond drill programme in 2012 which twinned approximately 10% of the historical drilling, with 7 drillholes for 1489.1 m drilled.

The 2013 drill programme included 55 drillholes for a total of 14,051.1 m.

The historical and recent drilling is on an approximate grid of 25 x 100 m.

This estimate is based on diamond drill core results from the historical drill programme and results from the SMS 2012 and 2013 drilling programme. All samples from the 2012 and 2013 drill programme were prepared and analysed for tantalum, tin and niobium at ALS Seville laboratory. A comprehensive Quality Assurance and Quality Control ("**QAQC**") programme has been maintained which demonstrates that the sample preparation and laboratory performance for the 2012 and 2013 drill programme is suitable for use in estimation.

The correlation between the twinned 2012 and 2013 drillholes and the historical drillholes has also shown that the historical data is suitable for use in this Mineral Resource estimate.

Data Validation

The Company have purchased a detailed satellite derived topographic survey which provides a high level of confidence in the topographic database. The Company use a high precision GPS, based on Total Station measurements to measure collar locations. The final collar locations have been located to a high degree of confidence in terms of the X, Y and Z location, in UTM.

In order to verify the information incorporated within the 2012 and 2013 drill programmes, SRK has:

Completed a check of the digital drilling database against selected diamond drill core to confirm both geological and assay values show a reasonable representation of the project;

Completed a series of site visits during December 2012, March 2013 and August 2013 to check the geology, drilling and sampling procedures;

Verified the quality of geological and sampling information and developed an interpretation of tin, tantalum and niobium grade distributions appropriate for use in the resource model; and;

Reviewed the QAQC database as provided for the 2012 and 2013 drill programme.

SRK is satisfied with the quality of the laboratories used for the current programme and based on the quality control investigations there is no evidence of significant bias within the current database which would materially impact on the estimate.

Geological Model

The Penouta mineralisation is hosted within and immediately above a leucogranite dome. Tin, tantalum and niobium occur as disseminations within broad lenses which occur sub-parallel to the leucogranite dome. Tantalum is disseminated with intensity increasing upwards within the dome; mineralisation also occurs in thin quartz greisen veins within the overlying gneiss and greisenised material.

Visual review of the tantalum grades showed a gradual trend in the drillhole samples, showing high grades at the top of the leucogranite becoming lower grades with depth. SRK constructed one main subhorizontal domain; at a cut-off grade of 30 ppm tantalum. The mineralised zone was digitised on vertical sections using assay data. The tantalum zone was constrained within the leucogranite dome. Tantalum mineralisation extends approximately 1,000 m north-south and approximately 800 m east-west. All wireframes were imported into Datamine. To ensure the block model provided a true representation of the drillhole data, SRK created a tantalum coded drillhole file and produced a separate tantalum only block model, into which only tantalum was estimated.

Tin was identified as forming a high grade lens occurring near the top of the leucogranite dome. Beneath this high grade lens a lower grade domain was identified. Tin mineralisation also occurs within the overlying veined and greisenised gneiss, this mineralisation has been modelled as a broad lens, as the orientation of the individual veins is currently difficult to determine. The high grade and low grade mineralised domains were initially digitised on vertical sections using assay data and the leucogranite dome, the resultant domains were reviewed in long section and plan view to ensure geological continuity.

Tin, tantalum and niobium mineralisation also occurs within the overlying veined and greisenised gneiss. For tin, tantalum and niobium this mineralisation has been modelled as a broad lens, as the orientation of the individual veins is currently difficult to determine.

There are no niobium assays for the historical drillholes, therefore SRK has used the SMS drilling database only for the niobium mineralisation modelling and estimation. SRK constructed one main subhorizontal domain; at a cut-off grade of 19 ppm niobium. The mineralised zone was digitised on vertical sections using assay data. The niobium zone was constrained within the leucogranite dome. Niobium mineralisation extends approximately 1,200 m north-south and approximately 1,000 m east-west. To ensure the block model provided a true representation of the drillhole data, SRK created a specific niobium coded drillhole file and produced a separate niobium only block model, into which only niobium was estimated.

Internal waste domains in the mineralised granite were identified and wireframed within the tantalum and niobium, these typically consisted of low grade gneiss xenoliths within the leucogranite dome.

Drilling extends to approximately 300 m below surface, the 2013 drilling has potentially identified the base of the mineralisation of interest, although additional lower grade mineralisation potentially occurs at depth.

Grade Interpolation

Based on the sampling database provided, SRK has completed a statistical analysis to determine a composite length of 5 m for the estimation. SRK completed a statistical and geostatistical analysis on the coded 5 m composite data to determine the appropriate estimation methods and parameters. High-grade capping was applied to tin only based on a combination of log probability plots and raw and log histogram analysis.

SRK has undertaken variography in Isatis separately for tin, tantalum and niobium based on the 5 m composited, coded and in the case of tin high grade capped drillhole file. The resulting variogram ranges were used in the estimation process as a guide to the dominant direction of mineralisation.

For the August 2014 Mineral Resource Estimate, SRK used a block model with block dimensions of 25 x 25 x 10 m into which tin, tantalum and niobium grades have been estimated based on optimised kriging routines. SRK has used dynamic anisotropy tools during estimation for tin, tantalum and niobium. Dynamic anisotropy uses orientation data generated from the mineralisation wireframe to assign dip and dip direction to every block in the model. The search ellipse is rotated upon estimation of the block by honouring the associated dip and dip direction of the domain boundaries. This procedure ensures that the block estimates honour the grade trends in the deposit.

Quantitative Kriging Neighbourhood Analysis ("**QKNA**") was undertaken to determine the optimum parameters to be used in the estimation. QKNA compared search ranges, and differing minimum and maximum samples with respect to the volume, slope of regression and percent of blocks filled in each search.

Tin, tantalum and niobium grades have been estimated using appropriate parameters determined from QKNA and related to the geological, geostatistical and grade continuity and sample spacing, using an Ordinary Kriging ("**OK**") routine. SRK has also completed an estimate using IDW methodologies for verification purposes.

SRK has treated all boundaries as hard boundaries in terms of the estimation process. The resultant block grade distribution is appropriate for the mineralisation style. In areas of limited sampling, the block grade estimates have been produced using expanded search ellipses which result in more smoothed global estimates. Localised comparisons of composite grades to block estimates will be less accurate in these areas.

Metal prices and processing recoveries for Sn and Ta2O5 were used to calculate grade multipliers to derive a Ta2O5 equivalent grade (Ta2O5 Eq) for use in reporting the Mineral Resource.Ta2O5 ppm was derived in the Ta block model based on the following formula: Ta2O5 = Ta / 0.818967.

Based on the grade multipliers, the formula used to derive Ta2O5 Eq in the block model is shown below:

[Ta2O5 Eq = Ta2O5 + (Sn * 0.13483)]

Mineral Resource Classification

SRK has considered sampling quality, sampling density, distance from samples and proportion of blocks filled in the first search in order to classify the Mineral Resource according to the terminology, definitions and guidelines given in the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Standards on Mineral Resources and Mineral Reserves (December 2005) as required by NI 43-101.

In SRK's classification for the Penouta Project, the following criteria have been applied:

Measured Mineral Resources were selected as model blocks which were estimated within search volume 1 and which had a slope of regression greater than 0.8. These blocks also displayed reasonable strike continuity and down dip extensions based on drillhole intersections of approximately 25 x 25 m. The Measured classification boundary extends to half the drillhole spacing in areas where the estimation is well informed.

Indicated Mineral Resources were selected as model blocks which were typically estimated within search volume 1 and which had a slope of regression of greater than 0.6 and which display reasonable strike continuity and down dip extensions based on drillhole intersections of approximately 100 x 50 m. The Indicated classification boundary extends to half the drillhole spacing in areas where the estimation is well informed.

Inferred Mineral Resources are model blocks which display reasonable strike continuity and down dip extensions based on the drillhole intersections of approximately 100 x 100 m. The majority of these blocks have been estimated within search volumes 1 or 2. The Inferred classification boundary extends to half the drillhole spacing in areas where the estimation is well informed. Due to the poorly understood nature of the veins within the greisenised gneiss SRK has assigned these domains the classification of Inferred.

Mineral Resource Statement

The "reasonable prospects for economic extraction" requirement generally implies that the quantity and grade estimates meet certain economic thresholds and that the mineral resources are reported at an appropriate cut-off grade taking into account extraction scenarios and processing recoveries. In order to meet this requirement, SRK considers that portions of the Penouta Project are amenable for open pit extraction.

SRK notes that it is becoming increasingly common place to apply basic economic considerations to determine which portion of the modelled deposit has reasonable prospects for economic extraction by open pit methods. In order to determine this SRK used a pit optimiser, reasonable mining assumptions and optimistic metal prices to evaluate the proportions of the block model (Measured, Indicated and Inferred blocks) that could be "reasonably expected" to be mined from an open pit.

The optimization parameters were selected based on a combination of client information and their experience from re-processing of old tailings at the Project, SRK experience and benchmarking against similar projects. The reader is cautioned that the results from the pit optimization are used solely for the purpose of testing the "reasonable prospects for economic extraction" by an open pit and do not represent an attempt to estimate mineral reserves. The results are used as a guide to assist in the preparation of a mineral resource statement and to select an appropriate resource reporting cut-off grade.

Table 0-1: Assumptions considered for conceptual open pit optimisation

Parameter	Cost	Unit
Process Costs + General & Administrative	7.97	USD/t
Mining Costs	3.0	USD/t rock
Mining Dilution	5	%
Mining Recovery	95	%
Overall Pit Slope	45	Degrees
Ta2O5 Price	178	USD/kg
Sn Price	24	USD/kg
Ta2O5 Recovery	75	%

Sn Recovery	75	%

SRK considers that blocks located within the conceptual pit envelope show “reasonable prospects for economic extraction” and can be reported as a Mineral Resource.

A cut-off grade of 60 ppm for Ta_2O_5 Eq grade has been applied in reporting the Penouta Mineral Resource.

Table 0-2: Pit Constrained SRK Mineral Resource Statement for the Penouta Ta-Sn Hard Rock Deposit, Effective Date 05 March 2021

Category	Tonnes (Mt)	Grade				Metal	
		Ta2O5 Eq (ppm)	Sn (ppm)	Ta (ppm)	Ta2O5 (ppm)	Sn (kt)	Ta (kt)
Measured	7.6	184	600	85	103	4.6	0.6
Indicated	68.6	145	426	72	88	29.2	4.9
Total Measured and Indicated	**76.3**	**149**	**443**	**73**	**89**	**33.8**	**5.6**
Inferred	57	129	389	62	76	22	4

1) Mineral resources are not mineral reserves and do not have demonstrated economic viability.

2) All figures are rounded to reflect the relative accuracy of the estimate, numbers may not add up due to rounding.

3) The standard adopted in respect of the reporting of Mineral Resources for the Project is in accordance with the terminology, definitions and guidelines given in the Canadian Institute of Mining, Metallurgy and Petroleum Standards on Mineral Resources and Mineral Reserves (CIM Code)

4) SRK reasonably expects portions of the Penouta deposit to be amenable to open pit mining methods. Open pit Mineral Resources are constrained to within a Whittle optimised pit and reported based on a Ta2O5Eq Resource cut-off which considers processing costs and G&A costs totalling 7.79 USD/t. Pit slope angles were set to 45°

5) Resources are reported at an open pit cut-off grade of 60 ppm Ta2O5Eq.

6) Cut-off grades are based on a price of USD178/kg and recoveries of 75% for Ta2O5, and USD24/kg and recoveries of 75% for tin.

7) It is reasonably expected, but not guaranteed, that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration

8) Inferred Resources are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves.

In comparison to the previous SRK 2014 MRE, SRK notes that no new drilling has been completed; therefore, changes to the Mineral Resource Statement are the result of updates to the input parameters applied for the pit optimisation, including:

- Slight reduction in processing and G&A costs from 10 USD/t to 7.97 USD/t, based on SMS's experience from re-processing of old tailings at the Project.

- Reduction in metal prices for Sn from 26 USD/kg to 24 USD/kg and for Ta_2O_5 from 260 USD/kg to 178 USD/kg, based on current long-term Sn market forecast information, 3-year trailing average price data for Ta_2O_5 and allowance for potential penalties anticipated by the Company related to their experience from re-processing of old tailings and associated historical sales.

- Slight reduction to processing recovery for Sn from 80% to 75%, based on Company preference and their experience from operating the current plant.

Based on the changes outlined above, the key differences in the updated MRE for the Penouta Ta-Sn deposit for March 2021, include:

- Overall marginal change to Measured and Indicated metal for Sn and Ta; and

- Approximate 10% reduction to Inferred metal for Sn and Ta.

Conclusions

SRK has reviewed all QAQC information available and has deemed the assay database to be acceptable for the determination of a Measured, Indicated and Inferred Mineral Resource Estimate. SRK has generated a geological model of the project based on information gained during three site visits (2012 and 2013) and from meetings with SMS employees (2012 and 2013) and the verified electronic database provided. No new drilling has been completed at the Project since the previous SRK 2014 MRE; therefore, the underlying block model remains unchanged when compared with 2014.

SRK has considered sampling density, distance from samples, and estimate quality in order to classify the Mineral Resource according to the terminology, definitions and guidelines given in the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Standards on Mineral Resources and Mineral Reserves (December 2005) in accordance with NI 43-101.

A MRE pit optimisation study and cut-off grade assessment was undertaken based on updated input parameters (including commodity price and the SMS experience from re-processing of old tailings at the Project) to constrain the Mineral Resource and its potential depth extensions to the parts of the deposit that have sufficiently high grade, width and proximity to surface for reporting with reasonable prospects for eventual economic extraction by open pit.

In summary, SRK's updated Mineral Resource estimate on the Penouta Project 5th March 2021 reported above a cut-off grade of 60 ppm Ta_2O_5 equivalent comprises of the following:

- Measured Open Pit Mineral Resource of 7.6 Mt at 600 ppm Sn and 85 ppm Ta ppm;

- Indicated Open Pit Mineral Resource of 68.6 Mt at 426 ppm Sn and 72 ppm Ta ppm; and,

- Inferred Open Pit Mineral Resource of 57 Mt at 389 ppm Sn and 62 ppm Ta ppm.

Additional metallurgical test work on hard rock sources of mineralisation, in addition to further verification of technical and economic inputs used for MRE pit optimisation, will be important to the next stages of the Project development given the importance of these with respect to more advanced technical studies and also their potential to impact on the criteria used for reporting with reasonable prospects for eventual economic extraction.

Recommendations

SRK recommends the following:

- Additional metallurgical test work for Sn and Ta2O5 based on a representative metallurgical drillhole sampling program for hard rock mineralisation, to ensure that metallurgical parameters for use in more advanced technical studies are appropriately defined;
- Undertake drilling of inclined drillholes beneath the current open pit to help better determine the extent of the kaolinised leucogranite, such that the differences in densities can be modelled more appropriately;
- Continue using an umpire laboratory to verify and provide confidence in the primary assay laboratory. SRK would recommend submitting 5% of the total sample population to the umpire laboratory, and ensuring that a range of grades (low, medium and high) are submitted;
- Increase the submission of blanks samples to 5%;
- SMS produce an in-house matrix matched CRM for subsequent drilling programmes;
- SMS discontinue the use of CRM AMIS0355;
- Undertake a market and contracts study; and
- SMS is currently investigating the potential to separate and process the leucogranite tails to recover albite, quartz, potassic feldspar and white mica for potential sale to the Industrial Minerals ("**IM**") market. SRK recommends further testwork and analysis should be conducted along with market and contracts studies to determine whether the Project should also consider IM sources of revenue in the next MRE.

A high-level budget to cover these recommendations is provided in Table 1-3 below. This budget does not necessarily account for all costs associated with the recommended work, such as staffing and administration, but seeks to estimate the unit costs associated likely to be incurred.

Table 1-3: High-level budget for recommended work programmes

Recommendation	Unit Count	Unit	Unit Cost (US$)	Sub-Total (US$)
Metallurgical Testwork - Sn and Ta_2O_5	1	Study	40,000	40,000
Metallurgical Testwork - Albite, quartz, feldspar, mica	1	Study	40,000	40,000
Drillhole Programme	15,000	Metres	200	3,000,000
Sample Assay	2,000	Samples	45	90,000
Umpire Sampling	100	Samples	45	4,500
QAQC	400	Samples	45	18,000
CRM development	1	-	8,000	8,000

Market & Contract Study	1	Study	50,000	50,000
Total				**3,250,500**

RISK FACTORS

The business and operations of the Company are subject to a number of risks. The Company considers the risks set out below to be the most significant to existing and potential investors in the Company, but not all of the risks associated with an investment in securities of the Company. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the Company is currently unaware or which it considers to be material in relation to the Company's business actually occur, the Company's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects are likely to be materially and adversely affected. In such circumstances, the price of the Company's securities could decline and investors may lose all or part of their investment.

General Risks

Market Price

An investment in Strategic's securities is highly speculative, due to the high-risk nature of its business, lack of diversification and the present stage of its development. Shareholders may lose their entire investment.

The market price of the Common Shares and 2026 Warrants may be affected by many variables not directly related to the corporate performance of the Company, including the market in which they are traded, the strength of the economy generally, the availability and attractiveness of alternative investments and the breadth of the public market for its shares. The effect of these and other factors on the market price of the Company's Common Shares and 2026 Warrants in the future cannot be predicted. The lack of an active public market could have a material adverse effect on the price of the Common Shares and 2026 Warrants.

The Market Price of Company Common Shares and 2026 Warrants May Be Volatile

The market price of Common Shares and 2026 Warrants could be subject to significant fluctuations. In addition, securities markets worldwide have experienced, and are likely to continue to experience, significant price and volume fluctuations. This market volatility, as well as general economic, market or political conditions and the risk factors described in this AIF could subject the market price of Common Shares and 2026 Warrants to wide price fluctuations regardless of the Company's operating performance.

The Company May Issue Additional Equity Securities

The Company may issue equity securities and securities convertible into equity securities to finance its activities, including in order to finance acquisitions. If the Company were to issue additional equity securities the ownership interest of existing shareholders may be diluted and some or all of the Company's financial measures on a per share basis could be reduced.

No Assurance of Payment of Dividends

The declaration, timing, amount and payment of dividends are at the discretion of the Board of the Company and will depend upon the Company's future earnings, cash flows, acquisition capital requirements and financial condition, and other relevant factors. There can be no assurance that the Company will declare a dividend on a quarterly, annual or other basis.

Risks Related to the Company's Business

The Company's business involves the production from, and the exploration and development of, the Penouta Project and the exploration and development of the Lithium Project. The risk factors associated with the principal business of the Company are discussed below. Briefly, these relate to the highly speculative nature of the mining industry characterized by the requirement for large capital investment from an early stage and a low probability of finding economic mineral deposits. Due to the present stage of production from, and exploration and development of, the Penouta Project and the Lithium Project, the Company may be subject to significant risks. Readers should carefully consider all such risks set out in the discussion below. The Company's actual exploration and operating results may be very different from those expected as at the date of this AIF.

Limited Operating History and Financial Resources

The Company has a limited history of operations, and no history of profitability; it has had negative operating cash flow since its date of incorporation, and expects that, due to the anticipated expansion of the Penouta Project, its losses will continue for the foreseeable future. Potential investors should be aware of the difficulties normally encountered by mineral exploration companies and the high rate of failure of such enterprises. The likelihood of success must be considered in light of the problems, expenses, difficulties, complications and delays encountered in connection with the exploration and development of the mineral properties that the Company plans to undertake. These potential problems include, but are not limited to, unanticipated problems relating to exploration and additional costs and expenses that may exceed current estimates. The expenditures to be made by the Company in the exploration and development of mineral claims may not result in the discovery of mineral deposits. Problems such as unusual or unexpected formations of rock or land and other conditions are involved in mineral exploration and often result in unsuccessful exploration efforts. If the results of future exploration programs do not reveal viable commercial mineralization, the Company may decide to abandon its claims and acquire new claims for new exploration or cease operations.

There can be no assurance that the Company will ever be profitable in the future. The Company's operating expenses and capital expenditures may increase in subsequent years as needed consultants, personnel and equipment associated with advancing exploration, development and commercial production of the Penouta Project, Lithium Project and any other properties that the Company may acquire are added. The amounts and timing of expenditures will depend on the progress of ongoing exploration and development, the results of consultants' analyses and recommendations, the rate at which operating losses are incurred, the execution of any joint venture agreements with strategic partners, and the Company's acquisition of additional properties and other factors, many of which are beyond the Company's control.

Dependence on the Penouta Project

The Penouta Project is the only material property of the Company. Therefore, although the operations of the Company include an operating mine, the Company's success will likely be dependent on further developing the Penouta Project, which may never develop into a commercially viable ore body. Any adverse development affecting the Penouta Project such as, but not limited to, obtaining development financing on commercially suitable terms, hiring suitable personnel and mining contractors, or securing supply agreement on commercially suitable terms, may have a material adverse effect on the Company's business, prospects, financial performance and results of operations.

Mineral Deposits May Not Be Economical

The determination of whether any mineral deposits at the Penouta Project and Lithium Project are economical is affected by numerous factors beyond the control of Strategic. These factors include: (a) the metallurgy of the mineralization forming the mineral deposit; (b) market fluctuations for metal prices; (c) the proximity and capacity of natural resource markets and processing equipment; and (d) government regulations, governing prices, taxes, royalties, land tenure, land use, importing and exporting of minerals, and environmental protection.

Changes in Market Price of Metals

The potential of the Penouta Project and Lithium Project to be economically mined is significantly affected by changes in the market price of metals. The market price of metals is volatile and is impacted by numerous factors beyond the control of the Company, including: (a) expectations with respect to the rate of inflation; (b) the relative strength of the U.S. dollar and certain other currencies; (c) interest rates; (d) global or regional political or economic conditions; (e) supply and demand for industrial products containing metals; and (f) sales by central banks, other holders, speculators, and producers of copper, gold and other metals in response to any of the above factors. A decrease in the market price of metals could make it difficult or impossible to finance the exploration or development of the Penouta Project and Lithium Project or cause Strategic to determine that it is impractical to continue development of the Penouta Project, which would have a material adverse effect on the financial condition and results of operations of Strategic. There can be no assurance that the market price of metals will not decrease.

Mining Operations May Not Be Established or Profitable

The future development of the Penouta Project will require additional financing, permits, design, construction, processing plant, and related infrastructure. As a result, Strategic will be subject to all of the risks associated with establishing mining operations and business enterprises, including: (a) the timing and cost, which will be considerable, of obtaining all necessary permits including environmental, construction, and operating permits; (b) the timing and cost, which will be considerable, of the construction of mining and processing facilities; (c) the availability and costs of skilled labour, power, water, transportation, and mining equipment; (d) the availability and cost of appropriate smelting or refining arrangements; (e) the need to obtain necessary environmental and other governmental approvals and permits, and the timing of those approvals and permits; and (f) the availability of funds to finance construction and development activities.

It is common in new mining operations to experience unexpected problems and delays during permitting, construction, and development. In addition, delays in the commencement of mineral production often occur, and once commenced, the production of a mine may not meet expectations or the estimates set forth in feasibility or other studies. Accordingly, there are no assurances that Strategic will successfully fully develop its mining operations or become profitable.

Ability to Exploit Future Discoveries

It may not always be possible for the Company to participate in the exploitation of successful discoveries. Such exploitation may involve the need to obtain licenses or clearance from the relevant authorities, which may not be available on a timely basis or may require conditions to be satisfied or the exercise of discretion by such authorities. It may or may not be possible for such conditions to be satisfied, and such conditions may prove uneconomic or not practical. Furthermore, the decision to proceed to further exploitation may require the participation of other companies whose interest and objectives may not be consistent with those of the Company. Such further exploitation may also require the Company to meet or commit to financial obligations which it may not have anticipated or may not be able to commit to due to a lack of funds or an inability to raise funds.

Financing Risks

Strategic is substantially dependent upon the equity and debt capital markets or alternative sources of funding to pursue additional investments. There can be no assurance that such financing will be available to Strategic on acceptable terms or at all.

From time to time, the Company may rely on debt financing for a portion of its business activities, including capital and operating expenditures. There are no assurances that the Company will be able to comply at all times with any covenants under its debt arrangements, if applicable; nor are there assurances that the Company will be able to secure new financing that may be necessary to finance its operations and capital growth program. Any failure of the Company to secure financing or refinancing, to obtain new financing or to comply with applicable covenants under its borrowings could have a material adverse effect on the Company's financial results. Further, any inability of the Company to obtain new financing may limit its ability to support future growth.

Additional equity or debt financings may significantly dilute positions held by shareholders of Strategic, increase Strategic's leverage or require Strategic to grant security over its assets. If Strategic is unable to obtain such financing, it may not be able to develop the Penouta Project or meet its joint venture obligations for the Lithium Project or execute on its business strategy. If Strategic is unable to obtain financing for business activities, it may determine to allocate income, if any, from other investments to finance business activities. Access to financing has been negatively impacted by many factors. The global markets are experiencing volatility and disruption following the escalation of geopolitical tensions and the start of the military conflict between Russia and Ukraine. On February 24, 2022, Russia began a full-scale military invasion of Ukraine. Although the length and impact of the ongoing military conflict is highly unpredictable, the conflict in Ukraine could lead to market disruptions, including significant volatility in commodity prices, credit and capital markets and interest rates. This may further impact the Company's ability to obtain equity or debt financing in the future on terms favourable to the Company, or at all. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses.

Mining is Inherently Dangerous

The business of mining is subject to a number of risks and hazards including environmental hazards, industrial accidents, labour disputes, cave-ins, pit wall failures, flooding, fires, rock bursts, explosions, power outages, periodic interruptions due to inclement or hazardous weather conditions, and other acts of God or unfavourable operating conditions. Such risks could result in damage to, or destruction of, mineral properties or processing facilities, personal injury or death, loss of key employees, environmental damage, delays in mining, increased production costs, monetary losses, and possible legal liability.

Where considered practical to do so, Strategic will maintain insurance against risks in the operation of its business in amounts which it believes to be reasonable. Such insurance, however, contains exclusions and limitations on coverage. There can be no assurance that such insurance will continue to be available, will be available at economically acceptable premiums, or will be adequate to cover any resulting liability. In some cases, coverage is not available or is considered too expensive relative to the perceived risk. Strategic may suffer a material adverse effect on its business if it incurs losses related to any significant events that are not covered sufficiently or at all by its insurance policies.

Operations and Exploration Subject to Governmental Regulations

Strategic's operations and exploration and development activities are subject to extensive laws and regulations governing various matters, including: (a) environmental protection; (b) management and use of toxic substances and explosives; (c) management of natural resources; (d) management of tailings and other wastes; (e) mine construction; (f) exploration, development of mines, production and post-closure reclamation; (g) exports; (h) price controls; (i) taxation and mining royalties; (j) labour standards and occupational health and safety, including mine safety; and (k) historic and cultural preservation. Failure to comply with applicable laws and regulations may result in civil or criminal fines or penalties or enforcement actions, including orders issued by regulatory or judicial authorities, enjoining or curtailing operations, or requiring corrective measures, installation of additional equipment, or remedial actions, any of which could result in Strategic incurring significant expenditures. Strategic may also be required to compensate private parties suffering loss or damage by reason of a breach of such laws, regulations, or permitting requirements. It is also possible that future laws and regulations, or a more stringent enforcement of current laws and regulations by governmental authorities, could cause additional expenses, capital expenditures, restrictions on or suspensions of Strategic's operations, if any, and delays in the development of the Penouta Project and Lithium Project.

Operation and Exploration Activities are Subject to Environmental and Endangered Species Laws and Regulations

All phases of the mining business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of government laws and regulations, including laws and regulations relating to the protection of endangered and threatened species. Compliance with such laws and regulations can require significant expenditures and a breach may result in the imposition of fines and penalties, which may be material. In addition, such laws and regulations can constrain or prohibit the exploration and development of new projects or the development or expansion of existing projects. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, increases in land use restrictions, larger fines and liability and potentially increased capital expenditures and operating costs. Any breach of environmental legislation by owners or operators of the property underlying the Company's asset portfolio could have a material impact on the viability of the relevant property and impair the revenue derived from the owned property or applicable interest, which could have a material adverse effect on the Company's operations, financial condition and the trading price of its securities.

Permits and Licences

Operations of the Company will require licences and permits from various governmental authorities. The Company anticipates that it will be able to obtain in the future all necessary licences and permits to carry on the activities which it intends to conduct, and it intends to comply in all material respects with the terms of such licences and permits. However, there can be no guarantee that the Company will be able to obtain at all or on reasonable terms, and maintain, at all times, all necessary licences and permits required to undertake its proposed exploration and development or to place its property into commercial production and to operate mining facilities thereon.

Additional Costs May Be Incurred by Mineral Property Operators as a Result of International Climate Change Initiatives

The Company acknowledges climate change as an international and community concern. The Company supports and endorses various initiatives for voluntary actions consistent with international initiatives on climate change. In addition to voluntary actions, governments are moving to introduce climate change legislation and treaties at the international, national, regional/state/provincial and local levels. Where legislation already exists, regulation relating to emission levels and energy efficiency is becoming more stringent. Some of the costs associated with reducing emissions can be offset by increased energy efficiency and technological innovation. However, if the current regulatory trend continues, the Company expects this may result in increased costs at the Penouta Project, which could have a material impact on the viability of the project and impair the revenue derived from its interest in the properties therein, which could have a material adverse effect on the Company's profitability, results of operations and financial condition and the trading price of the Company's securities.

Community Relations

Strategic's relationships with the communities in which it operates and other stakeholders are critical to ensure the future success of its existing operations and the construction and development of its projects. There is an increasing level of public concern relating to the perceived effect of exploration activities on the environment and on communities impacted by such activities. Publicity adverse to Strategic, its operations or extractive industries generally, could have an adverse effect on Strategic and may impact relationships with the communities in which Strategic operates. While Strategic is committed to operating in a socially responsible manner, there can be no assurance that its efforts in this respect will mitigate this potential risk. Further, damage to Strategic's reputation can be the result of the perceived or actual occurrence of any number of events, and could include any negative publicity, whether true or not. The increased usage of social media and other web-based tools to generate, publish and discuss user-generated content and to connect with other users has made it increasingly easy for individuals and groups to communicate and share opinions and views in regard to Strategic and its activities, whether true or not. While Strategic strives to uphold and maintain a positive image and reputation, Strategic does not ultimately have control over how it is perceived by others. Reputation loss may lead to increased challenges in developing, maintaining community relations and advancing its projects and decreased investor confidence, all of which may have a material adverse impact on the financial performance and growth of Strategic.

Competition

The mining industry is intensely competitive. Strategic will compete with other mining companies, many of which have greater financial resources for the acquisition of mineral claims, permits, and concessions, as well as for the recruitment and retention of qualified employees. Increased competition could adversely affect Strategic's ability to attract necessary capital funding.

Defects in Title to Mineral Properties

Establishing title to mineral properties is a very detailed and time-consuming process. Title to the area of mineral properties may be disputed. While Strategic has investigated title to all of its mineral claims and mineral claims held by its joint venture partners and, to the best of its knowledge, title to all of its and its partner's properties are in good standing, mineral properties may be subject to prior unregistered agreements or transfers and title may be affected by such undetected defects. There may be valid challenges to the title of Strategic's properties which, if successful, could impair exploration, development and operations. Strategic's mineral properties may be subject to third-party claims, prior unregistered agreements or transfers and title may be affected by undetected defects. Strategic cannot give any assurance that title to its properties will not be challenged.

Defects in or disputes relating to the interests the Company holds or acquires may prevent it from realizing the anticipated benefits from these interests. Material changes could also occur that may adversely affect management's estimate of the carrying value of the Company's interests and could result in impairment charges. While Strategic currently seeks, and will seek, to confirm the existence, validity, enforceability, terms and geographic extent of the interests it acquires, there can be no assurance that disputes or other problems concerning these and other matters or other problems will not arise. Confirming these matters is complex and is subject to the application of the laws of each jurisdiction to the particular circumstances of each parcel of mineral property and to the documents reflecting the interest. The discovery of any defects in, or any disputes in respect of, the Company's interests, could have a material adverse effect on the Company's profitability, results of operations and financial condition and the trading price of its securities.

A defect in the chain of title to one of the Company's interests or necessary for the anticipated development or operation of a particular project to which an interest relates may arise to defeat or impair the claim of the operator to a property which could in turn result in a loss of the Company's interest in respect of that property. In addition, claims by third parties may impact on the operator's ability to conduct activities on a property to the detriment of the Company's interests. To the extent an owner or operator does not have title to the property, it may be required to cease operations or transfer operational control to another party. Certain interests can be contractual in nature, rather than an interest in land, with the risk that an assignment or bankruptcy or insolvency proceedings by an owner will result in the loss of any effective interest in a particular property. Further, even in those jurisdictions where there is a right to record or register interests held by the Company in land registries or mining recorders offices, such registrations may not necessarily provide any protection to the Company. As a result, known title defects, as well as unforeseen and unknown title defects may impact operations at a project in respect of which the Company has an interest and may result in a material adverse effect on the Company's profitability, results of operations and financial condition and the trading price of its securities.

Future Litigation Could Affect Title

Potential litigation may arise on a property on which the Company holds an interest (for example, litigation between joint venture partners or between operators and original property owners or neighboring property owners), including the Penouta Project and Lithium Project. As a holder of such interests, the Company will not generally have any influence on the litigation and will not generally have access to data. Any such litigation that results in the cessation or reduction of production from a property (whether temporary or permanent) or the expropriation or loss of rights to a property could have a material adverse effect on the Company's profitability, results of operations and financial condition and the trading price of its securities.

Deficient Third Parties' Reviews, Reports and Projections

The Company relies upon third parties to provide analysis, reviews, reports, advice and opinions regarding the Company's projects. There is a risk that such analysis, reviews, reports, advice, opinions are inaccurate, in particular with respect to resource estimation, process development and recommendations for products to be produced as well as with respect to economic assessments including estimating the capital and operational costs of the Company's project and forecasting potential future revenue streams. Uncertainties are also inherent in such estimations.

Directors and Officers May Have Conflicts of Interest

Certain of directors or officers of the Company, are or will be, and may continue to be, involved in other business ventures through their direct and indirect participation in corporations, partnerships, joint ventures, etc. that may become potential competitors of the technologies, products and services the Company intends to provide. Situations may arise where the other interest(s) of these directors and officers conflict with, or diverge from, the Company's interest. Certain of such conflicts may be required to be disclosed in accordance with procedures and remedies, as applicable, under corporate law; however, such procedures and remedies may not fully protect the Company. In addition, in conflict of interest situations, the directors and officers of the Company may owe the same duty to another company and will need to balance that competing interest. Circumstances (including with respect to future corporate opportunities) may arise that may be resolved in a manner that is unfavorable to the Company.

Global Financial Conditions May Be Volatile

Market events and conditions, including the effects of the COVID-19 pandemic, disruptions in the international credit markets and other financial systems, along with political instability, have resulted in commodity prices remaining volatile. These conditions have also caused a loss of confidence in global credit markets resulting in the collapse of, and government intervention in, major banks, financial institutions and insurers and creating a climate of greater volatility, tighter regulations, less liquidity, widening credit spreads, less price transparency, increased credit losses and tighter credit conditions. Notwithstanding various actions by governments, concerns about the general condition of the capital markets, financial instruments, banks and investment banks, insurers and other financial institutions caused the broader credit markets to be volatile and interest rates to remain at historical lows. These events are illustrative of the effect that events beyond the Company's control may have on commodity prices, demand for metals, including tin, tantalum and niobium, availability of credit, investor confidence, and general financial market liquidity, all of which may adversely affect the Company's business. Global financial conditions have always been subject to volatility. Access to public financing has been negatively impacted by sovereign debt concerns in Europe and emerging markets, as well as concerns over global growth rates and conditions. These and other factors may impact the ability of the Company to obtain equity or debt financing in the future and, if obtained, the favourability of the terms of such financing to the Company. Increased levels of volatility and market turmoil can adversely impact the Company's operations and the price of the Common Shares and 2026 Warrants.

Epidemic and Pandemic Diseases

The Company's business, operations and financial condition could be materially adversely affected by the outbreak of pandemics or other health crises, such as the outbreak of COVID-19 that was designated as a pandemic by the World Health Organization on March 11, 2020. The international response to the spread of COVID-19 has led to temporary business closures, quarantines, global stock market volatility, and a general reduction in consumer activity.

Such public health crises can result in operating, supply chain and project development delays and disruptions. There may be impacts on the global stock market and financial market volatility, declining trade and market sentiment, reduced movement of people and labour shortages, and travel and shipping disruption and shutdowns. These impacts affect commodity prices, interest rates, credit risk and inflation. In addition, the current COVID-19 pandemic, and any future emergence and spread of similar pathogens could have an adverse impact on global economic conditions which may adversely impact the Company's operations, suppliers, contractors and service providers.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect or inhibit the operations at the Penouta Project, which may result in a material adverse effect on the Company's profitability, results of operations and financial condition and the trading price of the Company's securities.

Future Acquisitions and Partnerships

As part of the Company's business strategy, it may seek to grow by acquiring companies or assets or establishing new joint ventures that it believes will complement its future business. In pursuit of such opportunities, the Company may fail to select appropriate acquisition candidates or negotiate acceptable agreements, including arrangements to finance the acquisitions or integrate the acquired businesses or their personnel into the Company. There can be no assurance that the Company will complete any acquisition or business arrangement that it pursues on favorable terms or at all, or that any acquisitions or business arrangements completed will ultimately benefit the Company.

There are risks inherent in such activities. Specifically, there could be unknown or undisclosed risks or liabilities of such companies for which the Company is not sufficiently indemnified. Any such unknown or undisclosed risks or liabilities could materially and adversely affect the Company's financial performance and results of operations. The Company may not effectively select acquisition candidates or negotiate or finance acquisitions or integrate the acquired businesses and their personnel or acquire assets for our business. The Company could encounter additional transaction- and integration-related costs or experience an impact to its operations or results of operation as a result of the failure to realize all of the anticipated benefits from such acquisitions or partnerships, or an inability to successfully integrate an acquisition as anticipated. As a result of integration efforts, the Company may experience interruptions in its business activities, costs of integration and harm to its reputation, all of which could have a material adverse effect on the Company's business, financial condition and results of operations. The Company may experience difficulties in combining corporate cultures, maintaining employee morale and retaining key employees. The integration of any such acquired companies may also impose substantial demands on management of the Company. There is no assurance that these acquisitions will be successfully integrated in a timely manner or without additional expenses being incurred.

Partial Ownership or Joint Venture Agreements

Partial ownership in mineral properties or subsidiaries could result in a material adverse effect on Strategic's future growth, results of operations and financial position. A property in which Strategic has an interest in that is not wholly-owned by it and is the subject of a joint venture agreement with another company and will be subject to the risks normally associated with the conduct of jointly-held projects and such agreements.

Such risks include the inability to exert influence over certain strategic decisions made in respect of the joint venture property or a joint venture participant having economic and business interests or goals that become inconsistent with Strategic's business interest or goals. Other risks include the bankruptcy of the joint venture participants or the inability of participants to meet their obligations to the joint venture or third parties, or the need to provide financing to maintain an interest, which could result in capital allocations issues. The existence or occurrence of one or more of the following circumstances and events could have a material adverse effect on the viability of Strategic's interest held through such agreement, which could have a material adverse effect on future growth, results of operations and financial conditions.

Canada Revenue Agency's Recent Focus on Foreign Income Earned by Canadian Companies May Result in Adverse Tax Consequences

There has been a recent focus by the Canada Revenue Agency on income earned by foreign subsidiaries of Canadian companies. Some of the Company's assets will be owned by and the related revenue received by the Company's subsidiaries. Although management believes that the Company will be in full compliance with Canadian tax law, there can be no assurance that the Company's structure may not be challenged in future. In the event the Canada Revenue Agency successfully challenges the Company's structure, this could potentially result in additional federal and provincial taxes and penalties, which may have a material adverse effect on the Company's profitability, results of operations and financial condition and the trading price of its securities.

Anti-Bribery Laws (such as the Corruption of Foreign Public Officials Act of Canada ("CFPOA"))

The Company's business is subject to the CFPOA which generally prohibits companies and company employees from engaging in bribery or other prohibited payments to foreign officials for the purpose of obtaining or retaining business. The CFPOA also requires companies to maintain accurate books and records and internal controls, including for all foreign-controlled subsidiaries. In addition, the Company is subject to other anti-bribery laws of the nations in which it conducts business that apply similar prohibitions as the CFPOA. The Company's employees or other agents may, without the Company's knowledge and despite its efforts, engage in prohibited conduct under the CFPOA or other anti-bribery laws that the Company may be subject to and for which it may be held responsible. If employees or other agents are found to have engaged in such practices, the Company could suffer severe penalties and other consequences that may have a material adverse effect on its business, financial condition and results of operations.

The Company Will Be Exposed to Foreign Exchange Risk

All of the Company's mining activities are located in Spain and the costs associated with these activities are largely denominated in Euros. However, the Company's primary source of additional capital will likely be generated in Canadian markets and therefore future funds raised are likely to be in Canadian dollars and, as a result, are subject to foreign currency fluctuations and inflationary pressures, which may have a material adverse effect on the Company's profitability, results of operations and financial condition. There can be no assurance that the steps taken by management to address variations in foreign exchange rates will eliminate all adverse effects and the Company may suffer losses due to adverse foreign currency rate fluctuations.

Equipment, Materials and Skilled Technical Workers

The Company is dependent on the availability of affordable and accessible equipment, replacement parts, and repair services and the absence or disrepair of such equipment, parts and services could affect or halt exploration or eventual production on the properties of the Company. There can be no guarantee that such equipment, parts or repair services will be available to the Company, or that such equipment, replacement parts or repair work will be available on commercially reasonable terms.

The Company is dependent on the availability of affordable and accessible materials. There can be no guarantee of the availability, quality and reliability of the supply of neither such materials, nor that such materials will continue to be available to the Company on commercially reasonable terms.

The Company is also dependent on the availability of skilled technical workers to carry out various functions on the properties of the Company. There can be no guarantee that such skilled workers will be available to carry out such activities on behalf of the Company or that such workers will be available on commercially reasonable terms.

Risks Relating to Attracting and Retaining Qualified Management and Technical Personnel

The Company will be dependent upon the continued availability and commitment of its key management personnel, whose contributions to immediate and future operations of the Company are of significant importance. The loss of any such key management personnel could negatively affect business operations. From time to time, the Company may also need to identify and retain additional skilled management and specialized technical personnel to efficiently operate its business. In addition, the Company frequently retains third party specialized technical personnel to assess and execute on opportunities. These individuals may have conflicts of interest or scheduling conflicts, which may delay or inhibit the Company's ability to employ such individuals' expertise. Recruiting and retaining qualified personnel is critical to the Company's success and there can be no assurance that the Company will be able to recruit and retain such personnel. If the Company is not successful in recruiting and retaining qualified personnel, the Company's ability to execute its business model and growth strategy could be affected, which could have a material adverse impact on its profitability, results of operations and financial condition and the trading price of its securities.

Disruption from Non-Governmental Organizations

As is the case with any businesses which operate in the mining industry, the Company may become subject to pressure and lobbying from non-governmental organizations. There is a risk that the demands and actions of non-governmental organizations may cause significant disruption to the Company's business which may have a material adverse effect on its operations and financial condition.

Strategic's Operations Are Subject to Human Error

Despite efforts to attract and retain qualified personnel, as well as the retention of qualified consultants, to manage Strategic's interests, and even when those efforts are successful, people are fallible and human error could result in significant uninsured losses to Strategic. These could include loss or forfeiture of mineral claims or other assets for non-payment of fees or taxes, significant tax liabilities in connection with any tax planning effort Strategic might undertake and legal claims for errors or mistakes by Strategic personnel.

Health & Safety

Mining, like many other exploration or extractive natural resource industries, is subject to potential risks and liabilities due to accidents that could result in serious injury or death. The impact of such accidents could affect the profitability of the operations, cause an interruption to operations, lead to a loss of licences, affect the reputation of the Company and its ability to obtain further licences, damage community relations and reduce the perceived appeal of the Company as an employer.

There is no assurance that the Company has been or will at all times be in full compliance with all laws and regulations or hold, and be in full compliance with, all required health and safety permits. The potential costs and delays associated with compliance with such laws, regulations and permits could prevent the Company from proceeding with the development of a project or the operation or further development of a project, and any noncompliance therewith may adversely affect the Company's business, financial condition and results of operations. Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in exploration expenses, capital expenditures or production costs, reduction in the levels of production at producing properties, or abandonment or delays in development of new mining properties.

Nature and Climatic Conditions

The Company and the mining industry continually face geotechnical challenges which could adversely impact the Company's production and profitability. Unanticipated adverse geotechnical and hydrological conditions, such as severe rainfall, floods, landslides, droughts, pit wall failures and rock fragility may occur, and such events may not be detected in advance. Geotechnical instabilities and adverse climatic conditions can be difficult to predict and are often precipitated by risks and hazards outside of the Company's control. Such conditions could result in limited access to mine sites, suspensions or reductions in operations, government investigations, increased monitoring costs, remediation costs, loss or ore and other impacts which could cause the Company's projects to be less profitable than currently anticipated and could result in a material adverse effect on the Company's results of operations and financial position.

Uninsured or Uninsurable Risks

In the course of exploration, development and production of mineral resource properties, several risks and, in particular, significant risks that could result in damage to, or destruction of vessels and producing or processing facilities, personal injury or death, environmental damage, delays in mining, monetary losses and possible legal liability, may occur. It is not always possible to fully insure against such risks, and the Company may decide not to take out insurance against such risks as a result of high premiums or for other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in an increase in costs and a decline in value of the securities of the Company. The Company cannot be certain that insurance will be available on acceptable terms or conditions. In some cases, coverage may not be acceptable or may be considered too expensive relative to the perceived risk.

Disruption in Strategic's Activities Due to Acts of God May Adversely Affect Strategic

Disruptions in the activities of Strategic may be caused by natural disasters, effects of climate change and man-made activities, pandemics, trade disputes and disruptions, war, terrorism, and any other form of economic, health, or political disruptions. Strategic's financial condition is reliant on continued operations, and in circumstances where continued operations are not possible, Strategic is likely to experience a decline in its revenue, and may suffer additional disruptions in the form of lack of access to its workforce, customers, technology, or other assets. The extent of the impact on Strategic will vary with the extent of the disruption and cannot be adequately predicted in advance.

Changes in Technology

There is no assurance a profitable market will continue to exist for the sale of tantalum, tin and niobium. These materials are key to emerging technologies, including lithium-ion batteries and electric vehicles. The technology pertaining to emerging technologies is changing rapidly and there is no assurance that tantalum, tin and niobium will continue to be used to the same degree it is used now, or that it will be used at all. A decline in the use of these metals may result in a material and adverse effect on the Company's prospects for developing the Penouta Project.

DIVIDENDS AND DISTRIBUTIONS

Subject to the solvency restrictions in the *Business Corporations Act* (Ontario) and applicable NEO rules, there are no restrictions in the Company's articles or elsewhere that would prevent the Company from paying dividends. The Company has not declared or paid any dividends in the last three (3) years and has no present intention to declare or pay any dividends in the foreseeable future. Any decision to declare or pay dividends will be made by the Board based upon the Company's earnings, financial requirements and other conditions existing at such future time.

DESCRIPTION OF CAPITAL STRUCTURE

The authorized capital of the Company consists of an unlimited number of Common Shares. There are no limitations contained in the articles or by-laws of the Company on the ability of a person who is not a Canadian resident to hold Common Shares or exercise the voting rights associated with the Common Shares. As of March 30, the Company had the following securities issued and outstanding: (i) 237,987,185 Common Shares; (ii) 33,070,478 2026 Warrants; (iii) 4,760,000 2024 Warrants; (iv) 1,190 Convertible Debentures; and (v) 19,510,000 Stock Options.

Common Shares

The Company is authorized to issue an unlimited number of common shares with no par value. The holders of Common Shares are entitled to receive notice of and attend all meetings of the shareholders of the Company and are entitled to one vote in respect of each Common Share held at such meetings. Upon any liquidation, dissolution or winding-up of Company, the holders of Common Shares are entitled to share rateably in the remaining assets of the Company. The Common Share are currently listed on the NEO under the ticker symbol "SNTA" and trade on the OTCQB under the ticker symbol "SNTAF" and on the Frankfurt Stock Exchange open market under the ticker symbol "26K0".

Warrants

The 2024 Warrants are exercisable into one Common Share of the Company at a price of CAD$0.25 for a period of two (2) years from October 13, 2022. The 2024 Warrants are not listed on the NEO.

The 2026 Warrants are exercisable into one Common Share of the Company at a price of CAD$0.40 for a period of five (5) years from July 15, 2021. On January 19, 2022, the 2026 Warrants were listed on the NEO under the symbol "SNTA.WT".

Convertible Debentures

The Company granted a total of 1,190 Convertible Debentures with a face value of CAD$1,000 each and a maturity date of October 13, 2024. Each Convertible Debenture bears interest at a rate of 10% per annum from October 13, 2022. The interest is payable at the option of the holder in either cash or Common Shares (but not both), semi-annually, in arrears on the last day of June and December. The principal amount of each Convertible Debenture, being CAD$1,000 per Convertible Debenture, together with then-accrued and unpaid interest thereon, is convertible into Common Shares at a conversion price equal to CAD$0.25, subject to adjustment in certain events.

After October 13, 2023, the Convertible Debentures may be redeemed, in whole or in part at any time and from time to time, at the option of the Company, provided that the holder of the Convertible Debenture shall be entitled to receive a payment in cash which is equal to 110% of the principal amount of the Convertible Debentures, plus accrued and unpaid interest that would otherwise be payable to the holder from the time of redemption until October 13, 2024. The redemption shall occur not less than 30 days nor more than 60 days after notice of the redemption is given by the Company to the holder, unless the holder exercises its conversion rights in accordance with the certificate representing the Convertible Debentures.

Stock Options

The Company established a stock option plan (the "**Stock Option Plan**") that provides that the Board may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Company, or any subsidiary of the Company, options to purchase Common Shares (the "**Stock Options**").

As of the date of this AIF, the Corporation has the following Stock Options Outstanding:

Grant Date	Vesting Date	Expiry Date	Exercise Price (CAD$)	Number of Stock Options Outstanding
December 7, 2021	December 7, 2021	December 7, 2026	0.25	13,715,000
January 20, 2022	January 20, 2022	January 20, 2027	0.27	100,000
January 16, 2023	January 16, 2023	January 16, 2028	0.085	5,695,000
			Total	**19,510,000**

As at the date hereof, Stock Options to purchase an aggregate of up to 23,687,783 Common Shares were reserved for issuance under the Stock Option Plan, of which Stock Options to purchase an aggregate of 19,510,000 Common Shares were issued and outstanding on such date representing 82.4% of the Stock Options reserved for issuance under the Stock Option Plan and 8.24% of the issued and outstanding Common Shares.

Stock Option Plan

The following is a summary of the Stock Option Plan, which is qualified in its entirety by the full text of the Stock Option Plan, which can be found on SEDAR at www.SEDAR.com.

The Stock Option Plan provides that the maximum number of Common Shares that may be reserved for issuance upon the exercise of all Stock Options granted under the Stock Option Plan shall not exceed, on a rolling basis, 10% of the aggregate number of Common Shares issued and outstanding from time to time. The purpose of the Stock Option Plan is to advance the interests of the Company by: (i) providing an incentive mechanism to foster the interests of eligible participants under the Stock Option Plan (which includes directors, officers, employees and consultants of the Company or its subsidiaries) in the success of the Company, its affiliates and its subsidiaries, if any; (ii) encouraging such eligible participants to remain with the Company, its affiliates or its subsidiaries, if any; and (iii) attracting new directors, officers, employees and consultants.

(a) Number of Common Shares Reserved. The aggregate number of Common Shares reserved for issuance under the Stock Option Plan, on a rolling basis, is 10% of the number of Common Shares outstanding less any Common Shares reserved pursuant to the Company's other share compensation arrangements, if any, at the time of reservation. Any Common Shares subject to a Stock Option which has been granted under the Stock Option Plan and which has been surrendered, expired or terminated in accordance with the terms of the Stock Option Plan without having been exercised will again be available under the Stock Option Plan.

(b) Administration. The Stock Option Plan is administered by the Board, or any duly authorized committee thereof.

(c) Eligible Persons. Stock Options under the Stock Option Plan may only be issued to directors, officers, employees and consultants of the Company and its affiliates and its subsidiaries (for purposes of the Stock Option Plan, "**Eligible Persons**").

(d) Terms of Stock Options. The Stock Option Plan provides that the exercise price, vesting provisions, the extent to which such Stock Option is exercisable, acceleration of vesting in connection with a take-over bid or other specified event and other terms and conditions relating to such Stock Options shall be determined by the Board or applicable committee thereof, as applicable, and subject to compliance with the policies of the Exchange.

(e) Maximum Term of Stock Options. Stock Options granted under the Stock Option Plan will be for a term not exceeding 10 years from the date of grant.

(f) Blackout Periods. Stock Options may not be exercised during any blackout period imposed by the Company with respect to trading in securities of the Company by Eligible Persons. Where the expiry date for a Stock Option occurs during a blackout period or within two (2) Business Days of a blackout period, the expiry date will be extended to the date that is ten (10) days following the end of such blackout period.

(g) Termination Prior to Expiry. If an optionee ceases to be an Eligible Person, the Stock Options held by that person and that were exercisable on the date upon which that person ceased to be an Eligible Person (for purposes of the Stock Option Plan, the "**Termination Date**") will expire on the earlier of the 90th day following the Termination Date (or for whatever period after the Eligible Person ceases to serve in such capacity, as determined by the Company) and the expiry date of the applicable Stock Options.

(h) Death of an Optionee. If an optionee dies, Stock Options held by the deceased optionee will be exercisable by the deceased optionee's personal representative, and will expire on the earlier of the one-year anniversary of the date of death of the optionee and the expiry date of the applicable Stock Options.

(i) Conditions of Exercise of Stock Options. The Company will not issue Common Shares pursuant to the exercise of Stock Options unless and until written notice of exercise addressed to the Corporate Secretary of the Company has been received, the Common Shares have been fully paid for, all applicable regulatory approvals have been received and any applicable withholding tax obligations have been satisfied.

(j) Reduction of Exercise Price. Subject to any required regulatory and shareholder approvals and the consent of the optionee affected thereby, the Board may amend or modify any outstanding Stock Option. The exercise price of Stock Options granted to Insiders may not be decreased, and the term of Stock Options granted to Insiders may not be extended, without shareholder approval.

(k) No Assignment. Stock Options may not be assigned or transferred, except in limited circumstances including the transfer of Stock Options to a wholly-owned personal holding company or to a registered retirement savings plan established for the sole benefit of such participant, and for estate planning or estate settlement purposes.

(l) Amendments. Generally, the Board may amend the Stock Option Plan, subject to any necessary regulatory approval.

(m) Termination of Stock Option Plan. The Stock Option Plan may be discontinued by the Board, provided that such termination will not alter the terms or conditions of any Stock Option or impair any right of any optionee pursuant to any Stock Option granted prior to the date of such termination, which will continue to be governed by the provisions of the Stock Option Plan.

MARKET FOR SECURITIES

Trading Price and Volume

Common Shares

In Canada, the Common Shares are listed and posted for trading on the NEO under the symbol “SNTA”. The Common Shares commenced trading on the NEO on December 9, 2021.

The following table indicates the high and low values and volume with respect to trading activity for the Common Shares on the NEO on a monthly basis for each month of the most recently completed financial year.

Month	High (CAD$)	Low (CAD$)	Volume
2022			
January	0.33	0.175	1,509,276
February	0.44	0.265	1,011,309
March	0.45	0.325	739,220
April	0.4	0.37	109,796
May	0.395	0.28	227,106
June	0.35	0.18	357,339
July	0.245	0.185	92,476
August	0.2	0.15	124,767
September	0.17	0.14	74,022
October	0.14	0.125	80,812
November	0.14	0.06	286,502
December	0.075	0.03	1,170,435

2026 Warrants

The 2026 Warrants are listed and posted for trading on the NEO under the symbol "SNTA.WT". The 2026 Warrants commenced trading on the NEO on January 19, 2022. The following table indicates the high and low values and volume with respect to trading activity for the Common Shares on the NEO on a monthly basis for each month of the most recently completed financial year.

Month	High (CAD$)	Low (CAD$)	Volume
2022			
January 19-31	0.15	0.10	30,451
February	0.11	0.11	5,328
March	0.095	0.070	14,150
April	0.130	0.130	6,400
May	0.130	0.060	67,800
June	0.060	0.050	16,700
July	0.060	0.030	51,000
August	0.030	0.025	4,400
September	0.025	0.025	1,776
October	0.000	0.000	0
November	0.000	0.000	0
December	0.005	0.005	4,600

Prior Sales

During the year ended December 31, 2022, and up to the date of this AIF, the Company has not issued or purchased any unlisted securities of the Company other than as set out below:

Date of Issuance	Type of Security	Number of Securities	Issue/Exercise Price (CAD$)	Reason for Issuance
January 20, 2022	Stock Options	100,000	0.27 exercise price	Issued pursuant to the Stock Option Plan.
October 13, 2022	Convertible Debentures	1,190	1,000 issue price	Issued in connection with the Convertible Debenture Offering and the finders' fee payable thereon.
October 13, 2022	2024 Warrants	4,760,000	0.25 exercise price	Issued in connection with the Convertible Debenture Offering and the finders' fee payable thereon.
January 16, 2023	Stock Options	5,695,000	0.085 exercise price	Issued pursuant to the Stock Option Plan.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

Pursuant to the NEO Exchange Listing Manual section 9.03(4), upon listing of the Common Shares, all securities of the Company that were held by "principals" of the Company were required to be placed into escrow. Effective upon completion of the Transaction, an aggregate of 209,718,000 Common Shares were placed in escrow pursuant to an Escrow Agreement entered into among TSX Trust Company, as Escrow

Agent, Strategic and certain principals, directors and officers of the Company (the "**Escrowed Shareholders**").

Subject to the Escrow Agreement, 5% of the Escrowed Shares and 2026 Warrants held by the Escrowed Shareholders (the "**Escrowed Warrants**") were released from escrow on March 9, 2022 (the "**Initial Release**"), 10% were released from escrow on June 9, 2022, 10% were released from escrow on December 9, 2022, 25% were released from escrow on March 9, 2023 and an additional 25% shall be released on each of June 9, 2023 and September 9, 2023.

Terms of Escrow

The Escrowed Shares, and any Escrow Warrants, may not be transferred without the approval of the NEO, other than in specified circumstances set out in the Escrow Agreement or in accordance with the restrictive legend set forth on the applicable security certificates. Any entity controlled by one or more persons that holds escrowed Common Shares may not participate in a transaction that results in a change of its control or a change in the economic exposure of the persons to the risks of holding Escrowed Shares. The following securities of the Company are currently on deposit in escrow under the Escrow Agreement:

Designation of Class	Number of Securities Held in Escrow	Percentage of Class
Common Shares	104,859,000	44.3%
2026 Warrants	16,535,339	50%

DIRECTORS AND OFFICERS OF STRATEGIC

Directors and Executive Officers of Strategic

An experienced and capable executive management team provides strategic direction to the Company, subject to the supervision of the Board. The following are the names, age and municipalities of residence of those individuals who serve as directors and officers of the Company, their positions and offices with the Company, their principal occupations during the last five years, the number of Common Shares that each hold and the percentage of the class that such holdings represent. The information is as furnished by such directors and officers as well as reports filed on the System for Electronic Disclosure by Insiders ("**SEDI**") at www.sedi.ca.

As at the date of this Annual Information Form, our directors and executive officers as a group beneficially owned, or controlled or directed, directly or indirectly, an aggregate of 110,775,863 Common Shares representing approximately 46.54% of the issued and outstanding Common Shares.

Name, Age & Residence	Current Office In Strategic	Principal Occupations for the Last Five Years	Director Since	Number and Percentage of Common Shares
Jaime Perez Branger, 63 Madrid, Spain	Chief Executive Officer & Director	Jaime Perez Branger has over 35 years of experience in management, finance and capital markets. He was a founder and director of SMS from 2012 to December 6, 2021, when it was acquired by the Corporation and has been the CEO and a director since then. He has been a director and Chair of the audit committee of GCM Mining Corp. since 2011, was Executive Chairman of PetroMagdalena Energy Corp., and founder and managing director of Andino Capital Markets and NextVentures Corp., and President of Agropecuaria San Francisco from 2003 to 2011. He has served on a number of boards of private and public companies and business organizations over the years. Mr. Perez Branger holds a masters degree in economics from the London School of Economics (MSc. 1984). Mr. Perez Branger is currently a member of the Company's Executive Committee.	December 6, 2021	25,150,064 10.57%
Jose Alfonso Granda Gonzalez, 59 Madrid, Spain	Chief Financial Officer	Prior to joining Strategic in November 2021, J. Alfonso Granda worked at Kobe Gestion Estrategica, S.L. as Finance Manager in 2021. He was the Chief Financial Officer at ADL Bionatur Solutions S.A. from 2019 to 2021 and he served as Chief Financial Officer of Afera Group from 2018 to 2019. Successively, he was the Director of Corporate Control and then Chief Financial Officer of Albatros S.L.U., a company in the Schaltbau Group, from 2014 to 2018.	N/A	N/A
Oscar Crespo Gutierrez, 49 Sonora, Mexico	Chief Operating Officer	Oscar Crespo Gutierrez has over 15 years of national and international experience in the direction and management of mining operations. From September 2016 to October 2021, Mr. Crespo Gutierrez was the Country Manager at Enaex Mexico SA de CV. He holds a master's degree in Mining Engineering in Mine Development from the University of Leon and a professional engineering designation.	N/A	N/A
Miguel de la Campa, 78 Lisbon, Portugal	Chairman of the Board of Directors	Miguel de la Campa served as the Vice Chairman of the board of Directors of GCM Mining Corp. (the "GCM Board") and was the Executive Co-Chairman of the GCM Board from August 20, 2010 to March 27, 2019. Mr. de la Campa is also on the board of directors of Western Atlas Resources Inc. and was the Executive Co-Chairman of the board of directors of Pacific Exploration & Production Corporation from January 23, 2008 to November 2, 2016. Previously, Mr. de la Campa was the President and co-founder of Bolivar Gold Corp., a director of Petromagdalena Energy Corp. and a co-founder of Pacific Stratus Energy. Mr. de la Campa is currently a member of the Company's CESGN Committee and the Company's Executive Committee.	December 6, 2021	68,610,874[(1)] 28.83%

Campbell Becher, 51 Toronto, Ontario	Director	Campbell Becher has extensive experience in the capital markets industry. He was a Managing Director of Haywood Securities Inc. from 2016 to 2020. He also spent eight years in retail at RBC Dominion and BMO Nesbitt Burns before pursuing merchant banking for six years with Bearbeech Capital and Becher McMahon. From 2008-2014, he was the Chief Executive Officer of Bryon Capital Markets and has been President of Orchid Capital Partners Corp. since 2014. Since February 2021, Mr. Becher has also held the position of President at Becher Family Holdings. Mr. Becher is currently a member of the Corporation's Audit Committee and the Corporation's CESGN Committee.	December 6, 2021	102,625[(2)] 0.04%
Francisco Garcia Polonio, 57 Salamanca, Spain	Director	Francisco Garcia Polonio is the co-founder of SMS and was its executive director from January 2011 to December 6, 2021. In line with his search for projects related mainly to mining, he is also the chief executive officer and founder of Salamanca Ingenieros. Mr. Polonio has a PhD in mine engineering from the Polytechnic University of Madrid ("**UPM**") and a master's degree in storing radioactive waste from UPM, and a master's degree in corporate finance from the IE Business School. Mr. Garcia Polonio is currently a member of the Corporation's Audit Committee and the Corporation's Executive Committee.	December 6, 2021	16,877,400[(3)] 7.09%
Gabriela Kogan, 36 Toronto, Ontario	Director	Gabriela Kogan has extensive experience in the capital markets industry working as an investment banker. She was an investment banker at BMO Capital Markets, Global Metals and Mining from March 2015 to September 2020, most recently as a Vice President. Since November 2020, Gabriela has been the president and founder of Haume Inc. Mrs. Kogan holds a Bachelor of Commerce with a major in Finance from McGill University and has completed all three levels of the CFA. Ms. Kogan is currently a member of the Corporation's Audit Committee and the Corporation's CESGN Committee.	December 6, 2021	N/A
Elena Terrón, 46 Madrid, Spain	Corporate Secretary	Elena Terrón worked as a lawyer at Melton & Mine S.L.P from November 2016 to June 2019. Since June 2019 Ms. Terrón has worked in a legal and corporate role at SMS.	N/A	14,900 0.01%
	Total			**110,775,863**

Notes:

1. Miguel Angel de la Campa is the registered holder of 44,730,876 Common Shares, and the beneficial holder of 23,879,998 Common Shares which are registered in the name of High Grade Investimentos.
2. Campbell Becher is the beneficial holder of 9,625 Common Shares that are registered in the name of Port Arthur Holdings Inc.
3. Francisco Garcia Polonio is the beneficial holder 16,928,900 Common Shares that are registered in the name of Sequoia Venture Capital S.L.

Further Information Concerning the Board

The affairs of the Company are managed by a Board who are elected annually for a one (1) year term at each annual meeting of Shareholders and who hold office until the next annual meeting, or until their successors are duly elected or appointed or until a director vacates their office or is replaced in accordance with the by-laws of the Company. The Board has appointed an ad hoc committee, called the executive committee (the "**Executive Committee**"), to exercise the powers and authority of the Board to direct the business and affairs of the Company in intervals between meetings of the Board, subject to deferring material decisions of the Board to resolution in writing, or at a meeting, of the full Board. The Executive Committee is composed of Jaime Perez Branger and Miguel de la Campa.

The Board consists of five directors holding office until the next annual meeting of shareholders. All such directors were elected on June 7, 2022, at the Company's annual general and special meeting of shareholders.

Audit Committee

The audit committee (the "**Audit Committee**") is composed of Campbell Becher, Francisco Garcia Polonio and Gabriela Kogan, all of whom will be considered "independent" as that term is defined in Multilateral Instrument 52-110 - Audit Committees. Also, all of the Audit Committee members are "financially literate" as defined in Multilateral Instrument 52-110 - Audit Committees.

CESGN Committee

The CESGN Committee is composed of Campbell Becher, Gabriela Kogan and Miguel de la Campa, of whom all but Mr. de la Campa are "independent" as that term is defined in Multilateral Instrument 52-110 – "*Audit Committees*".

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Except as described below and as disclosed elsewhere herein (see below "*Penalties or Sanctions*"), no director or executive officer of the Company is at the date hereof, or within the ten years prior to the date hereof has been, a director, chief executive officer or chief financial officer of any company (including Strategic) that, while that person was acting in that capacity:

(a) was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days; or

(b) was subject to a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Mr. Perez Branger was a director of Caribbean Resources Corporation (formerly Pacific Coal Resources Ltd.) in which he was subject to a management cease trade order (since lifted) due to that company's default in filing its annual financial statements, management's discussion and analysis, and certifications for the period ending December 31, 2014, which were due to be filed on April 30, 2015, as required under National Instrument 51-102 *Continuous Disclosure Obligations*. Such documents were subsequently filed with the applicable securities regulators on June 15, 2015. However, that company continued to be under a management cease trade order due to its default in filing its interim financial statements and management's discussion and analysis, and certifications for the period ending March 31, 2015, which were due to be filed on June 15, 2015 and were subsequently filed on June 29, 2015. Caribbean Resources Corporation has since ceased to be a reporting issuer.

Except as described below and as disclosed elsewhere herein (see below "*Penalties or Sanctions*"), to the best of the Company's knowledge no director of the Company is at the date hereof, or within the ten years prior to the date hereof has been, a director or executive officer of any company (including Strategic) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Mr. de la Campa was a director and Executive Co-Chairman of Pacific Exploration & Production Corporation, which undertook a comprehensive recapitalization and financing transaction that was implemented pursuant to a proceeding under the Companies Creditors' Arrangement Act, together with appropriate proceedings in Colombia under Ley 1116 of 2006 and in the United States under chapter 15 of title 11 of the United States Code, ultimately implemented by way of a plan of arrangement and compromise on November 2, 2016. Effective November 2, 2016, de la Campa resigned from the board and effective October 31, 2016, de la Campa retired from his position as Executive Co-Chairman.

Individual Bankruptcies

To the best of the knowledge of the Company, no director or executive officer of the Company: (a) is, as at the date of this Annual Information Form, or within 10 years before the date of this Annual Information Form, has been a director, executive officer of a corporation (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (b) has within the 10 years before the date of this Annual Information Form, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director or executive officer.

Penalties or Sanctions

To the best of the Company's knowledge, no director or officer of the Company or shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by any securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) been subject to any other penalties or sanctions imposed by a court or regulatory body or self-regulatory authority that would be likely to be considered important to a reasonable investor making a decision about the securities of the Company.

Conflict of Interest

Some of the Company's directors or officers are also directors and officers of other companies and have other business interests which may prove to be of interest to the Company, which may be competitive to the interests of the Company or which may be current or future strategic partners. It is possible, therefore, that a conflict may arise between their duties as directors or officers of the Company and their duties as directors or officers of such other companies. Strategic requires that such individuals disclose all such conflicts in accordance with the requirements of the *Business Corporations Act* (Ontario) and that they govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law.

AUDIT COMMITTEE DISCLOSURE

Audit Committee Charter

The Audit Committee has adopted a written charter setting out its mandate and responsibilities. The Audit Committee is responsible for assisting the Board in fulfilling its oversight responsibilities relating to financial accounting and reporting processes and internal controls. The Audit Committee's primary duties and responsibilities are to: (i) provide independent and objective oversight of the Company's financial management and of the design and implementation of an effective system of internal financial controls; (ii) to review and report to the Board on the integrity of the financial statements of the Company, its subsidiaries and associated companies, including (a) helping directors meet their responsibilities, (b) facilitating better communication between directors and the external auditor, (c) enhancing the independence of the external auditor, (d) increasing the credibility and objectivity of financial reports, and (e) strengthening the role of the directors by facilitating in-depth discussions among directors, management and the external auditor; and (iii) provide a platform for communication among the Company's auditors, financial and senior management, the Audit Committee and the Board.

The Charter of the Company's Audit Committee is set forth in Appendix "A" attached hereto.

Composition of the Audit Committee

The Audit Committee has been constituted to oversee the financial reporting processes of the Company and is comprised of three independent directors; Campbell Becher, Francisco Garcia Polonio and Gabriela Kogan. Each member of the Audit Committee is also a director on the Board, and is "independent", as such term is defined within the meaning of National Instrument 52-110 - *Audit Committees*. Each member of the Audit Committee is financially literate and possesses extensive financial knowledge, experience and comprehension of financial statements. All of the Audit Committee members have experience in financial matters; each has an understanding of accounting principles used to prepare financial statements and varied experience as to the general application of such accounting principles, as well as the internal controls and procedures necessary for financial reporting, garnered from working in their individual fields.

Relevant Education and Experience

For a description of the education and experience of each member of the Audit Committee that is relevant to the performance of their responsibilities as a member of the Audit Committee, see the biography of each member of the Audit Committee included in this AIF under the heading "Directors and Officers".

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions contained in Sections 2.4 (De Minimis Non-Audit Services), Subsection 3.2 (Initial Public Offerings), Subsection 3.4 (Events Outside Control of Member), Subsection 3.5 (Death, Incapacity or Resignation) or Part 8 (Exemptions) of NI 52-110.

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services.

External Auditor Service Fees

The aggregate paid or accrued by the Company with respect to fees payable to McGovern Hurley LLP, the current external auditors for the Company, for audit, audit related, tax and other services in the fiscal years ended December 31, 2022, December 31, 2021, September 30, 2021 and September 30, 2020 were as follows:

Financial Year Ending	Audit Fees[(1)] (CAD$)	Audit Related Fees[(2)] (CAD$)	Tax Fees[(3)] (CAD$)	All Other Fees[(4)]
December 31, 2022	142,250	Nil	5,250	Nil
December 31, 2021	65,000	3,250	Nil	Nil
September 30, 2021[(5)]	12,000	Nil	Nil	Nil
September 30, 2020	10,000	Nil	1,500	Nil

Notes:
1. "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Company's financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
2. "Audit-Related Fees" include fees for services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
3. "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
4. "All Other Fees" include all other non-audit services.
5. Buccaneer had a September 30 financial year end.

PROMOTERS

The only persons who may be considered to be promoters of the Company would be Jaime Perez Branger, Miguel de la Campa and Campbell Becher. Such individuals would be considered promoters solely by virtue of the fact that they took the initiative to incorporate and help arrange the financing of Strategic. Messrs. Perez Branger and de la Campa were two of the founders of, and initial investors in, SMS.

Their respective numbers and percentages of each class of voting securities and equity securities of Strategic is as follows:

	Common Shares	Stock Options	2024 Warrants	2026 Warrants
Jaime Perez Branger	25,150,064 10.54%	4,000,000 20.50%	446,048 9.37%	775,256 2.34%
Miguel de la Campa	68,610,874 28.83%	4,000,000 20.50%	126,048 2.65%	2,392,510 7.23%
Campbell Becher	102,625 0.04%	1,750,000 8.97%	171,048 3.59%	930,000 2.81%

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Legal Proceedings

The Company is not aware of any legal proceedings material to the Company to which it is a party, or that any of the Company's property is or was the subject of, during Fiscal 2022; nor is the Company aware of any such legal proceedings being contemplated.

Regulatory Actions

To the best of the Company's knowledge, the Company is not currently a party to any regulatory investigation or proceeding or subject to any potential penalty or sanction, individually or in the aggregate, relating to securities legislation, which is likely to have a material adverse effect on the business, operations or financial condition of the Company as a whole. Further, the Company has not entered into any settlement agreements before a court or regulatory authority relating to securities legislation during Fiscal 2022.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as described below or otherwise disclosed in this Annual Information Form and within the Company's financial statements, no director or executive officer of the Company and, to the knowledge of the directors and executive officers of the Company none of their respective associates or affiliates, nor any person who beneficially owns or exercises control or direction, directly or indirectly, over more than 10% of the Company's outstanding Common Shares, nor their respective associates or affiliates, has had any material interest, direct or indirect, in any transaction within our three most recently completed financial years or in any proposed transaction which has materially affected or is reasonably expected to materially affect the Company or any of its subsidiaries on a consolidated basis.

The Company leases certain facilities to Sequoia Venture Capital S.L., a corporation beneficially owned by Francisco Polonio. During 2022, a total of $27,034 was recorded as operating expenses.

During the year ended December 31, 2022, the Company incurred fees of $17,523 from Salamanca Ingenieros S.L., a corporation beneficially owned by Francisco Polonio, a director of the Company.

A director of the Company (Campbell Becher) is a director, officer and shareholder of ILI and two officers and directors of the Company (Jaime Perez Branger and Miguel de la Campa) are shareholders of ILI. The shareholdings of such individuals do not individually or in the aggregate constitute control of ILI.

TRANSFER AGENT AND REGISTRAR

On November 12, 2021, the transfer agent and registrar of the Company was changed from Computershare Trust Company of Canada to TSX Trust Company. The head office of TSX Trust Company is located at 301 - 100 Adelaide Street West, Toronto, ON M5H 4H1.

MATERIAL CONTRACTS

The Company did not enter into any material contracts during the twelve months ended December 31, 2022 or before the twelve months ended December 31, 2022 that are still in effect, other than in the ordinary course of business.

INTERESTS OF EXPERTS

McGovern Hurley LLP, the external auditors of the Company, reported on the 2022 Annual Financial Statements. McGovern Hurley LLP has advised the Company that they are independent of the Company within the meaning of the Rules of Professional Conduct of Chartered Professional Accountants of Ontario (registered name of The Institute of Chartered Accountants of Ontario

Strategic engaged Martin Frank Pittuck, MSc. C.Eng, MIMMM, to prepare the Penouta Project Technical Report. The QP is a "qualified person" and considered "independent", as such terms are defined in NI 43-101. All of the scientific and technical mining disclosure contained in this Annual Information Form regarding the Penouta Project has been reviewed and approved by the QP.

None of the aforementioned firms or persons, nor any directors, officers or employees of such firms, are currently expected to be elected, appointed or employed as a director, officer or employee of the Company or of any associate or affiliate of the Company.

ADDITIONAL INFORMATION

Additional information relating to the Company may be found under the Company's SEDAR profile at www.SEDAR.com.

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of our securities and securities authorized for issuance under the Company's equity compensation plans, if applicable, will be contained in its management information circular prepared and filed in connection with the Company's annual meeting of shareholders to be held on or about June 6, 2023. Additional financial information is provided in our financial statements and management's discussion and analysis for the year ended December 31, 2022, which are available on the Company's SEDAR profile at www.SEDAR.com.

APPENDIX “A”

AUDIT COMMITTEE CHARTER

The Audit Committee (the “**Committee**”) is a committee of the board of directors (the “**Board**”) of Strategic Minerals Europe Corp. (the “**Company**”). The role of the Committee, subject to applicable laws and obligations imposed by the Company’s constating documents, is to:

a) provide independent and objective oversight of the Company’s financial management and of the design and implementation of an effective system of internal financial controls;

b) to review and report to the Board on the integrity of the financial statements of the Company, its subsidiaries and associated companies, including:

   i. helping directors meet their responsibilities;

   ii. facilitating better communication between directors and the external auditor;

   iii. enhancing the independence of the external auditor;

   iv. increasing the credibility and objectivity of financial reports; and

   v. strengthening the role of the directors by facilitating in-depth discussions among directors, management and the external auditor.

c) provide a platform for communication among the Company’s auditors, financial and senior management, the Committee and the Board.

While the Committee has the responsibilities and powers set forth in this Charter, management is responsible for establishing and maintaining those controls, procedures and processes and the Committee is appointed by the Board to review and monitor them.

1. COMMITTEE STRUCTURE

Membership

The Committee shall be comprised of at least three members of the Board, each of whom the Board shall determine is free from any relationship that could reasonably be expected to interfere with the exercise of his or her judgment as a member of the Committee and is otherwise “independent” as required under applicable securities rules and stock exchange rules, including within the meaning of National Instrument 52-110 – *Audit Committees* and as defined under Rule 10A-3 of the Securities Exchange Act of 1934 and Section 803 of the NYSE American Company Guide.

Members of the Committee shall be appointed from time to time by the Board and may be removed from office or replaced at any time by the Board. Any member shall cease to be a member upon ceasing to be a director. Each member of the Committee shall hold office until the close of the next annual meeting of shareholders of the Company or until the member ceases to be a director, resigns or is replaced, whichever first occurs.

Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board. The Board shall fill any vacancy whenever necessary to maintain a Committee membership of at least three directors.

All members of the Committee must be “financially literate”; for the purposes of this Charter “financially literate” shall mean the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements. Additionally, at least one member of the Committee must be “financially sophisticated” (i.e., have past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background which results in the individual's financial sophistication, including but not limited to being or having been a chief executive officer, chief financial officer, other senior officer with financial oversight responsibilities, or otherwise qualifies as an audit committee financial expert under General Instruction B(8)(a)(1) of Form 40-F).

Procedures

The Board shall appoint one of the directors elected to the Committee as the Chair of the Committee (the "**Chair**"). In the absence of the appointed Chair from any meeting of the Committee, the members shall elect a Chair from those in attendance to act as Chair of the meeting.

The Chair will appoint a secretary (the "**Secretary**") who will keep minutes of all meetings. The Secretary does not have to be a member of the Committee or a director and can be changed by simple notice from the Chair. Minutes of each Committee meeting shall be kept and made available to the Board.

No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present or by resolution in writing signed by all the members of the Committee. A majority of the members of the Committee shall constitute a quorum, provided that if the number of members of the Committee is an even number, one-half of the number of members plus one shall constitute a quorum.

The Committee will meet at least once each fiscal quarter, and as many times as is necessary to carry out its responsibilities. Any member of the Committee or the external auditor may call meetings.

The time and place of the meetings of the Committee, the calling of meetings and the procedure in all respects of such meetings shall be determined by the Committee, unless otherwise provided for in the articles of the Company or otherwise determined by resolution of the Board.

The Company shall provide the Committee with the resources necessary to discharge its duties and responsibilities, including the authority to select, retain, terminate, and approve the fees and other retention terms (including termination) of special counsel, advisors or other experts or consultants, as it deems appropriate.

The Committee shall have unrestricted access to the Company's personnel and documents and shall be provided with the resources necessary to carry out its responsibilities and shall discuss with the CEO or CFO such records and other matters considered appropriate.

The Committee shall have the authority to seek any information it requires from employees – all of whom are directed to cooperate with the Committee's requests.

At the invitation of the Chair, individuals who are not members of the Committee may attend any meeting of the Committee.

2. OPERATION OF THE COMMITTEE

Responsibility for the Company's financial reporting, accounting systems and internal controls is vested in the officers of the Company and is overseen by the Board.

The responsibility of the Committee is to assist the Board in fulfilling its oversight responsibilities. The Committee will have the following duties and responsibilities:

External Auditor

- To recommend to the Board, for shareholder approval, an external auditor to examine the Company's accounts, controls and financial statements on the basis that the external auditor is accountable to the Board and the Committee as representatives of the shareholders of the Company, with the external auditor reporting directly to the Committee.

- To evaluate and recommend to the Board the compensation of the external auditor, which shall be approved by the Board.
- To oversee the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting.
- To evaluate the audit services provided by the external auditor, pre-approve all audit fees and recommend to the Board, if necessary, the replacement of the external auditor.
- To pre-approve any non-audit services to be provided to the Company by the external auditor and the fees for those services.
- To obtain and review, at least annually, a written report by the external auditor setting out the auditor's internal quality-control procedures, any material issues raised by the auditor's internal quality-control reviews and the steps taken to resolve those issues.
- To review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company. The Committee has adopted the following guidelines regarding the hiring of any partner, employee, reviewing tax professional or other person providing audit assurance to the external auditor of the Company on any aspect of its certification of the Company's financial statements:
    - subject to the discretion of the Committee, no member of the audit team that is auditing a business of the Company can be hired into that business or into a position to which that business reports for a period of three years after the audit;
    - subject to the discretion of the Committee, no former partner or employee of the external auditor may be made an officer of the Company or any of its subsidiaries for three years following the end of the individual's association with the external auditor;
    - the CEO must approve all officer hires from the external auditor; and
    - the CEO must report annually to the Committee on any hires within these guidelines during the preceding year.
- To review, at least annually, the relationships between the Company and the external auditor in order to establish the independence of the external auditor, including receipt from the external auditor of a formal written statement delineating all relationships between the Company and the external auditor, consistent with The Public Company Accounting Oversight Board Rule 3526, as applicable.
- Review and discuss with the external auditors any disclosed relationships or services that may affect the objectivity and independence of the external auditors.
- To take, or recommend that the Board take, any other appropriate action to oversee the independence of the external auditor.
- To provide the opportunity for open communication between the Company, the external auditor and the Board.
- Review and assist in the resolution of any significant disagreement between management and the external auditors in connection with the preparation of the financial statements and financial reporting generally.
- To discuss the planning of the audit with the external auditor including:
    - the general approach taken in conducting the audit including any areas of particular concern or interest to the Committee or management and any extensions to the audit scope requested by the Committee or management;
    - areas of the financial statements identified as having a high risk of material misstatement and the auditor's response thereto;
    - the materiality and audit risk level on which the audit is based;

- the extent of audit work related to internal controls;
- the planned reliance on the work of other auditors, how the expectations shall be communicated to the other auditors and how their findings shall be communicated to the Committee; and
- the timing and estimated fees of the audit.

Financial Information and Reporting

- To review the financial statements and related notes of the Company before their submission to the Board, including the annual and interim financial statements, auditors' opinion, management letters, management's discussion and analysis of operations and financial press releases for the purpose of recommending approval by the Board prior to its release. Meet with the external auditor, with and without management present, to review the financial statements and the results of their audit, including:
  - assessing the risk that the financial statements contain material misstatements;
  - assessing the accounting principles used and their application, as well as being aware of new and developing accounting standards that may affect the Company;
  - assessing the significant estimates made by management; and
  - assessing the disclosures in the financial statements.
- Consider the external auditor's judgments about the quality and appropriateness of the Company's accounting principles, practices and internal controls as applied in its financial reporting.
- To review the quality and not just the acceptability of the Company's financial reporting and accounting standards and principles and any proposed material changes to them or their application.
- To disclose annually in the Company's Annual Information Form (and by cross-reference, in the Management Information Circular) information on the carrying out of its responsibilities under this Charter and on other matters as required by applicable securities regulatory authorities.

Oversight

- To review and provide appropriate oversight of any related party or conflicted transactions, whether actual or perceived.
- To review the internal audit staff functions, including:
  - the purpose, authority and organizational reporting lines; and
  - the annual audit plan, budget and staffing.
- To review, with the CEO and the CFO and others, as appropriate, the Company's internal system of audit controls and the results of internal audits.
- To review and monitor the Company's major financial risks and risk management policies, the effectiveness and efficiency of such policies, and the steps taken by management to mitigate those risks.
- To review the Company's disclosure controls and procedures and internal control over financial reporting (the "**Controls**"), and consider whether the Controls:
  - provide reasonable assurance that material information relating to the Company, including its consolidated subsidiaries, if any, is made known to the Company's CEO and CFO, particularly during the period in which the Company's annual filings are being prepared; and
  - provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the Company's GAAP.
- To meet at least annually with management (including the CEO and CFO), the internal audit staff, and the external auditor in separate executive sessions and review issues and matters of concern respecting audits and financial reporting.

- In connection with the annual audit, review material written matters between the external auditor and management, such as management letters, schedules of unadjusted differences and analyses of alternative assumptions, estimates or generally accepted accounting methods.
- In connection with its review of the annual audited financial statements and interim financial statements, the Committee will also review the process for the CEO and CFO certifications (if required by law or regulation) with respect to the financial statements and the Company's disclosure and internal controls, including any material deficiencies or changes in those controls.

Other Responsibilities

- Review with management the Company's financial fraud risk assessment, including an annual review of the top fraud risks identified by management, and the policies and practices adopted by the Company to mitigate those risks.
- Establish procedures for:
  - the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
  - the confidential anonymous submission by employees of the Company of concerns regarding potential fraud or questionable accounting or auditing matters, as may be set out in the Company's Whistleblower Policy;

  and review periodically with management and the internal auditors these procedures and any significant complaints received.

3. REPORTS

The Committee shall produce the following reports and provide them to the Board:

(a) an annual performance evaluation of the Committee. The performance evaluation by the Committee shall be conducted in such manner as the Committee deems appropriate however shall consider this Charter. The report to the Board may take the form of an oral report by the Chair or any other member of the Committee designated by the Committee to make this report; and

(b) a summary of the actions taken at each Committee meeting, which shall be presented to the Board at the next Board meeting.

4. REVIEW OF CHARTER, AMENDMENT, MODIFICATION AND WAIVER

The Committee shall review and reassess the adequacy of this Charter at least annually and otherwise as it deems appropriate and recommend changes to the Board.

This Charter may be amended or modified by the Board, subject to disclosure and other policies and guidelines of relevant securities regulators and applicable securities laws and stock exchange rules.

Approved by the Board of Directors: December 7, 2021.