# StrategX Signs Agreement to Acquire New Energy Transition Metals Target on the Melville Peninsula, Nunavut - Project Nagvaak

Vancouver, British Columbia--(Newsfile Corp. - February 22, 2022) - **StrategX Elements Corp. (CSE: STGX) ("StrategX"** or the **"Company")** is pleased to announce the signing of a Mineral Exploration Agreement (MEA) with Nunavut Tunngavik Inc. (NTI) for a 20-year mining lease on a 2,665-hectare property (Project Nagvaak), located approximately 20 km west of the Company's Mel property on the Melville Peninsula, Nunavut, Canada. This property is an excellent addition to the Company's portfolio as it is a targeted area not previously recognized for hosting energy transition metals specifically, nickel, vanadium, cobalt, molybdenum, copper, and platinum group elements. The polymetallic target is hosted in an underexplored regional-scale early Proterozoic sedimentary basin (Penryhn Group). Surface results to date confirm an extensive mineralized system over 7 kilometres long by 500 metres wide.

**Project Nagvaak Highlights**

- **StrategX has identified a regional sedimentary-hosted basin with similar geological characteristics to other sedimentary basins hosting world-class deposits of energy transition metals.**
- **Highly anomalous polymetallic values returned from a majority of 144 surface rock grab samples outlining 8 target areas for follow-up.**
- **Significant anomalous surface values in rock grab samples up to 0.84% nickel (Ni), 0.94% vanadium pentoxide ($V_2O_5$), 440 ppm cobalt (Co), 4,650 ppm molybdenum (Mo), 1.68% copper (Cu), 9.09% zinc (Zn), 48.3 g/t silver (Ag), and 1.23 g/t palladium (Pd).**
- **In 47 out of 144 rock grab samples, the average nickel equivalent* (NiEq*) grade is 1.18% and includes highly anomalous average vanadium pentoxide grade of 0.42%.**
- **Vanadium (V) was recently designated by the Canadian and U.S. governments as a critical mineral due to its importance to the energy storage and defense sectors and there being a shortage in domestic production with most of the supply imported from Russia, China, and South Africa.**

A total of 144 rock grab samples were collected from sulphidic graphite schist and quartzite in float, sub-crop boulders and outcrop. The area has less than 5% outcrop in this part of the Melville Peninsula region. The results of these samples can be viewed in a table on the Company's site here. Table 1 below lists 47 select rock sample results coming from 8 target areas on the property representing an average NiEq* of 1.18%. These target areas can be viewed here.

Anomalous samples are considered significant when they represent 10x's the average crustal abundance for an element typically in the two-to-three-digit ppm value range (10-100+ ppm) (Interpreting Multielement Geochemistry data, Scott Halley 2016). Sampling at Project Nagvaak returned anomalous metal values in the four to five-digit range (1,000 to 10,000's ppm). The nickel concentration levels are in the range for many of the samples from 1,000 ppm to greater than 5,000 ppm Ni or 0.5%. A calculation in nickel equivalence by grouping the elements was deemed appropriate based on the nature of the observed mineralization and for comparative economic evaluation purposes.

**Table 1**: **47 select rock grab sample results (of 144) from 8 target areas on Project Nagvaak**

| Target Area # | SAMPLE # | Nickel (%) | Vanadium (%) | V2O5 (%) | Copper (%) | Zinc (%) | Molybdenum (ppm) | Silver (g/t) | PGE's + Gold (g/t) | Ni % *equivalent* |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | 68 | 0.06 | 0.42 | 0.74 | 0.14 | 0.04 | 577 | 8.8 | 0.07 | 0.96 |
| 1 | 69 | 0.18 | 0.43 | 0.77 | 0.10 | 0.05 | 1415 | 3.0 | 0.14 | 1.23 |
| 1 | 75 | 0.01 | 0.00 | 0.01 | 0.55 | 1.23 | 4 | 24.0 | 1.24 | 0.90 |
| 1 | 79 | 0.02 | 0.26 | 0.46 | 0.09 | 9.09 | 1045 | 4.3 | 0.03 | 2.19 |
| 1 | 80 | 0.52 | 0.27 | 0.49 | 0.04 | 0.02 | 711 | 2.7 | 0.11 | 1.17 |
| 1 | 83 | 0.43 | 0.30 | 0.54 | 0.22 | 2.02 | 539 | 9.4 | 0.12 | 1.55 |
| 1 | 85 | 0.33 | 0.23 | 0.42 | 0.55 | 5.88 | 354 | 27.6 | 0.09 | 2.10 |
| 1 | 86 | 0.40 | 0.13 | 0.24 | 0.14 | 0.05 | 1570 | 6.9 | 0.06 | 1.05 |
| 1 | 87 | 0.47 | 0.17 | 0.30 | 0.15 | 0.01 | 4650 | 7.2 | 0.11 | 1.80 |
| 1 | 88 | 0.03 | 0.35 | 0.62 | 0.06 | 0.82 | 255 | 5.7 | 0.12 | 0.83 |
| 1 | 89 | 0.54 | 0.13 | 0.23 | 0.03 | 0.01 | 3370 | 3.2 | 0.03 | 1.50 |
| 2 | B6 | 0.28 | 0.17 | 0.30 | 0.19 | 3.48 | 323 | 3.7 | - | 1.30 |
| 2 | B8 | 0.13 | 0.22 | 0.40 | 1.21 | 0.07 | 314 | 28.7 | - | 1.20 |
| 2 | B9 | 0.11 | 0.53 | 0.94 | 0.15 | 0.16 | 457 | 0.7 | - | 1.16 |
| 3 | 99 | 0.06 | 0.38 | 0.68 | 0.06 | 0.02 | 1135 | 5.4 | 0.06 | 0.96 |
| 3 | 131 | 0.04 | 0.34 | 0.61 | 0.08 | 0.01 | 1400 | 6.8 | 0.10 | 0.95 |
| 4 | 55 | 0.10 | 0.29 | 0.52 | 0.56 | 3.10 | 237 | 21.7 | 0.20 | 1.52 |
| 4 | 57 | 0.08 | 0.37 | 0.67 | 0.06 | 0.31 | 872 | 7.7 | 0.62 | 1.15 |
| 4 | 58 | 0.05 | 0.35 | 0.62 | 0.10 | 0.02 | 215 | 6.9 | 0.16 | 0.78 |
| 4 | 61 | 0.26 | 0.32 | 0.57 | 0.13 | 0.02 | 1220 | 4.8 | 0.14 | 1.15 |
| 4 | 63 | 0.13 | 0.30 | 0.54 | 0.46 | 0.03 | 283 | 14.6 | 0.14 | 0.99 |
| 4 | 64 | 0.36 | 0.29 | 0.52 | 0.42 | 0.11 | 282 | 16.6 | 0.28 | 1.25 |
| 4 | 65 | 0.01 | 0.26 | 0.47 | 0.44 | 0.06 | 536 | 34.8 | 0.15 | 0.91 |
| 5 | 44 | 0.37 | 0.28 | 0.50 | 0.08 | 3.12 | 190 | 1.4 | 0.06 | 1.45 |
| 5 | A35 | 0.46 | 0.13 | 0.24 | 0.13 | 0.02 | 114 | 3.6 | 0.18 | 0.85 |
| 5 | A37 | 0.35 | 0.04 | 0.07 | 0.13 | 0.19 | 298 | 0.7 | 0.28 | 0.67 |
| 5 | A38 | 0.27 | 0.03 | 0.06 | 0.15 | 2.90 | 212 | 1.3 | 0.42 | 1.05 |
| 6 | 123 | 0.04 | 0.19 | 0.34 | 0.04 | 4.81 | 84 | 2.8 | 0.04 | 1.20 |
| 6 | 125 | 0.08 | 0.03 | 0.06 | 0.05 | 0.02 | 105 | 20.7 | 0.03 | 0.27 |
| 6 | 126 | 0.13 | 0.40 | 0.71 | 0.16 | 1.07 | 478 | 7.8 | 0.20 | 1.16 |
| 6 | B14 | 0.21 | 0.23 | 0.41 | 0.71 | 0.06 | 1630 | 28.7 | - | 1.35 |
| 6 | B16 | 0.15 | 0.22 | 0.40 | 0.68 | 0.96 | 476 | 24.4 | - | 1.02 |
| 6 | B22 | 0.23 | 0.43 | 0.77 | 0.12 | 0.02 | 589 | 2.0 | - | 1.08 |
| 6 | B26 | 0.16 | 0.17 | 0.30 | 0.43 | 1.71 | 226 | 48.3 | - | 0.91 |
| 7 | 100 | 0.08 | 0.02 | 0.03 | 0.05 | 0.01 | 108 | 0.9 | 0.32 | 0.25 |
| 7 | 104 | 0.52 | 0.04 | 0.07 | 0.04 | 0.02 | 298 | 2.1 | 0.04 | 0.70 |
| 7 | 105 | 0.17 | 0.21 | 0.38 | 0.08 | 0.01 | 557 | 1.6 | 0.23 | 0.75 |
| 7 | 108 | 0.50 | 0.18 | 0.32 | 0.09 | 1.27 | 169 | 9.0 | 0.23 | 1.20 |
| 7 | 135 | 0.04 | 0.43 | 0.77 | 0.11 | 0.03 | 817 | 8.0 | 0.10 | 0.80 |
| 7 | 136 | 0.51 | 0.23 | 0.41 | 0.35 | 0.01 | 472 | 8.0 | 0.11 | 1.24 |
| 7 | 137 | 0.53 | 0.20 | 0.35 | 0.14 | 0.02 | 317 | 2.2 | 0.09 | 1.05 |
| 7 | 145 | 0.33 | 0.33 | 0.60 | 0.53 | 0.03 | 457 | 14.8 | 0.14 | 1.32 |
| 7 | B32 | 0.84 | 0.13 | 0.23 | 0.32 | 7.54 | 192 | 48.3 | - | 2.61 |
| 8 | B43 | 0.20 | 0.23 | 0.41 | 0.06 | 5.79 | 414 | 1.1 | - | 1.64 |
| 8 | B46 | 0.33 | 0.17 | 0.31 | 0.13 | 4.88 | 347 | 2.7 | - | 1.56 |
| 8 | B48 | 0.18 | 0.29 | 0.51 | 1.68 | 0.11 | 833 | 16.8 | - | 1.65 |
| 8 | B50 | 0.27 | 0.07 | 0.13 | 0.15 | 4.46 | 251 | 4.6 | - | 1.18 |
| | | | | | | | | **Avg. Ni Equivalent:** | | **1.18%** |

To view an enhanced version of this graphic, please visit:
https://orders.newsfilecorp.com/files/8512/114446_img.jpg

*Note: PGE's + Au are not included in the NiEq* calculation. Includes nickel price of US$22,000/tonne, V2O5 price of US$21,000/tonne, Cu price of US$9,500/tonne, Zn price of US$3,500/tonne, Mo price of US$44,000/tonne, and Ag price of US$23/oz. NiEq* formula uses the following formula: NiEq* = Ni % + (V205% X 0.9545) + (Cu % X 0.4318) + (Zn % X 0.1591) + (Mo % X 2.000) + (Ag Oz X 0.0010). The NiEq* calculation will be lower if the metallurgical recovery of the metals is below 100% and will be determined when a resource deposit is defined. **Note**: Sample #'s beginning with B were taken by BHP Minerals in 1996, and #'s without a letter and beginning with A are by StrategX.

The Nagvaak project area was previously explored for zinc by Aquitaine during the early 1970's and by BHP during the 1990's and was never approached as a polymetallic sedimentary-hosted deposit type. Initial exploration by StrategX was focused on identifying extensive mineralized areas hosted in the Penrhyn Group metasedimentary rift basin on the Melville Peninsula. Two major surface anomalies have been interpreted based on previous grid till geochemistry completed by BHP and correlate with rock

samples collected in these areas by the Company.

Visuals of select rock samples with a brief description in the Company's project gallery can be reviewed here. Additionally, the surface anomalies can be viewed on a plan map here. The V-Mo-Ag-Cu anomaly is 4km long by 200m wide defined by 95 till samples returning from 560 ppm (1,000 ppm $V_2O_5$) up to 3,530 ppm (6,315 ppm $V_2O_5$) vanadium, 55 samples returning from 200 ppm up to 1,580 ppm molybdenum, and 57 samples returning 1.0 to 26.3 ppm silver. This anomaly occurs internal to a highly anomalous electromagnetic (EM) conductor detected by geophysical surveys completed by prior operators - currently under review by the Company's inhouse geophysicist. The Ni-Co-Cu-Zn anomaly is 1km long by 100m wide defined by 13 samples that returned 546 to 4,200 ppm nickel, 19 to 162 ppm cobalt, 313 to 2,070 ppm copper, and 195 to 7,400 ppm zinc and is located along the north side of the EM conductor mentioned above. These till sample results are historical and have not been confirmed with modern sampling; however, it will be reviewed and confirmed in more detail as part of the next field exploration program.

**Deposit type analog**

Nagvaak and other targets on the Melville Peninsula are hosted in a metal-rich sedimentary belt that could rival other deposits such as Talvivaara, Kainuu belt, located in Finland. Talvivaara is a giant, low-grade, polymetallic (Ni-Zn-Cu-Co) black schist-hosted deposit of similar age and host lithology to the Penryhn Group. The estimated size of the deposit is 2,053 Mt of 0.22% nickel, 0.49% zinc, 0.13% copper, and 0.02% cobalt, as defined under the JORC code (Talvivaara Mining Company, 2013).

The Nagvaak polymetallic target has the potential to be a major discovery enriched in a number of energy transition metals. More information on energy transition metals (critical minerals) and its role on transitioning into a 'green' renewable future can be viewed here.

**Exploration plans**

StrategX plans to advance the targets in the next field season and is applying for the necessary permits and licenses to also complete a drill program. The next phase of exploration will include more prospecting, sampling, mapping, and advanced geophysics to prioritize the drill targets.

**NTI partnership**

StrategX is pleased to partner with Nunavut Tunngavik Inc. who is responsible for the sustainable and economic development of Inuit Owned subsurface lands under the Nunavut Agreement. This partnership is of critical importance to StrategX with respect to both organizations having similar mandates in responsible exploration and development and respect for the people and the land. An agreement between both parties was executed on October 25$^{th}$, 2021.

**Qualified Person & QA/QC**

Samples were flown directly from site to ALS Canada Ltd.'s preparatory laboratory in Yellowknife, NT. ALS Yellowknife prepares a pulp from each sample and sends the pulps directly to its analytical laboratory in North Vancouver, Canada for analysis. A QA/QC program was implemented at the laboratory by ALS by inserting standards and blanks into the sample stream. ALS Global is accredited in accordance with the recognized International Standard ISO/IEC 17025. The sample preparation in 2021 included crushing the entire sample and using riffle splitter and then pulverizing up to 250g whereby 85% < 75um. Pulverizing QC Test were performed on every 20 samples. The pulverized material was then analyzed using ALS's ME-MS61 48 Element four acid ICP-MS.

The geological and technical data contained in this news release pertaining to Nagvaak Project was reviewed and approved by Michael Dufresne, MSc, PGeol, PGeo, a qualified person as defined by National Instrument 43-101 Standards of Disclosure for Mineral Projects.

**About StrategX**

StrategX (STGX) is a new Canadian-based exploration company poised to be a significant contributor in the natural resources sector and emerging low carbon economy. The Company is currently focused on the discovery of cobalt and associated energy transition metals in northern Canada. The Company's property portfolio includes two new regional plays: Project 939 & EA South situated near the East Arm of the Great Slave Lake, Northwest Territories, and Project Nagvaak & Mel on the Melville Peninsula, Nunavut, located near tidewater.

**On Behalf of the Board of Directors**

**Signature**

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***Forward-looking information***

*All statements included in this press release that address activities, events, or developments that the Company expects, believes, or anticipates will or may occur in the future are forward-looking statements. These forward-looking statements involve numerous assumptions made by the Company based on its experience, perception of historical trends, current conditions, expected future developments and other factors it believes are appropriate in the circumstances. In addition, these statements involve substantial known and unknown risks and uncertainties that contribute to the possibility that the predictions, forecasts, projections, and other forward-looking statements will prove inaccurate, certain of which are beyond the Company's control. Readers should not place undue reliance on forward-looking statements. Except as required by law, the Company does not intend to revise or update these forward-looking statements after the date hereof or revise them to reflect the occurrence of future unanticipated events.*


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