

Form 62-103F1

Required Disclosure under the Early Warning Requirements

State if this report is filed to amend information disclosed in an earlier report. Indicate the date of the report that is being amended.

N/A

Item 1 – Security and Reporting Issuer

1.1 State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.

Strategic Metals Ltd. (the “**Acquiror**”) has disposed of ownership of and control over 2,140,000 common shares (the “**Disposed Securities**”) of **Precipitate Gold Corp.** (the “**Issuer**”) over the period May 7, 2020 to July 8, 2020 by way of ordinary market transactions through the facilities of the TSX Venture Exchange.

The Issuer’s head office is:

Precipitate Gold Corp.
Suite 1430 – 800 West Pender Street
Vancouver, B.C. V6C 2V6

1.2 State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.

The TSX Venture Exchange.

Item 2 – Identity of the Acquiror

2.1 State the name and address of the acquiror.

Strategic Metals Ltd.
Suite 1016 – 510 West Hastings Street
Vancouver, B.C.
V6B 1L8

The Acquiror is Strategic Metals Ltd., a reporting issuer in the Provinces of British Columbia and Alberta, the common shares of which are listed for trading under the symbol “SMD” on Tier 1 of the TSX Venture Exchange.

2.2 State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.

The Acquiror disposed of the Disposed Securities over the period May 7, 2020 through July 8, 2020. See item 1.1 above for a description of the transactions.

2.3 State the names of any joint actors.

N/A

Item 3 – Interest in Securities of the Reporting Issuer

3.1 *State the designation and number or principal amount of securities acquired or disposed of that triggered the requirement to file this report and the change in the acquiror's securityholding percentage in the class of securities.*

The Acquiror disposed of ownership and control over the Disposed Securities pursuant to ordinary market transactions through the facilities of the TSX Venture Exchange.

Immediately prior to the disposition of the Disposed Securities, the Acquiror had ownership of and control over 22,892,827 common shares of the Issuer, representing 21.64% of the 105,751,031 common shares of the Issuer then issued and outstanding.

Following the disposition of the Disposed Securities, the Acquiror currently has ownership of and control over 20,752,827 common shares of the Issuer, representing 19.62% of the 105,751,031 common shares of the Issuer currently issued and outstanding.

3.2 *State whether the acquiror acquired or disposed ownership of, or acquired or ceased to have control over, the securities that triggered the requirement to file this report.*

The Acquiror disposed of ownership of and control over the securities that triggered the requirement to file this report.

3.3 *If the transaction involved a securities lending arrangement, state that fact.*

N/A

3.4 *State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities, immediately before and after the transaction or other occurrence that triggered the requirement to file this report.*

See item 3.1 above.

3.5 *State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities referred to in Item 3.4 over which*

(a) *the acquiror, either alone or together with any joint actors, has ownership and control,*

See items 3.1 and 3.4 above.

(b) *the acquiror, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the acquiror or any joint actor, and*

N/A

(c) *the acquiror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.*

N/A

3.6 *If the acquiror or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the acquiror's securityholdings.*

N/A

3.7 *If the acquiror or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement.*

N/A

State if the securities lending arrangement is subject to the exception provided in section 5.7 of NI 62-104.

N/A

3.8 *If the acquiror or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the acquiror's economic exposure to the security of the class of securities to which this report relates, describe the material terms of the agreement, arrangement or understanding.*

N/A

Item 4 – Consideration Paid

4.1 *State the value, in Canadian dollars, of any consideration paid or received per security and in total.*

The Disposed Securities were sold at prices ranging from \$0.145 to \$0.28 per share.

4.2 *In the case of a transaction or other occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, disclose the nature and value, in Canadian dollars, of the consideration paid or received by the acquiror.*

N/A

4.3 *If the securities were acquired or disposed of other than by purchase or sale, describe the method of acquisition or disposition.*

NA

Item 5 – Purpose of the Transaction

State the purpose or purposes of the acquiror and any joint actors for the acquisition or disposition of securities of the reporting issuer.

The Acquiror disposed of the Disposed Securities in ordinary market transactions through the facilities of the TSX Venture Exchange. Depending on market conditions and other factors, the Acquiror may from time to time acquire and/or dispose of securities of the Issuer or continue to hold its current position.

Item 6 – Agreements, Arrangements, Commitments or Understandings With Respect to Securities of the Reporting Issuer

Describe the material terms of any agreements, arrangements, commitments or understandings between the acquiror and a joint actor and among those persons and any person with respect to securities of the class of securities to which this report relates, including but not limited to the transfer or the voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. Include such information for any of the

securities that are pledged or otherwise subject to a contingency, the occurrence of which would give another person voting power or investment power over such securities, except that disclosure of standard default and similar provisions contained in loan agreements need not be included.

N/A

Item 7 – Change in Material Fact

If applicable, describe any change in a material fact set out in a previous report filed by the acquiror under the early warning requirements or Part 4 in respect of the reporting issuer’s securities.

N/A

Item 8 – Exemption

If the acquiror relies on an exemption from requirements in securities legislation applicable to formal bids for the transaction, state the exemption being relied on and describe the facts supporting that reliance.

N/A

Item 9 – Certification

Certificate

I, as the acquiror, certify, or I, as the agent filing this report on behalf of an acquiror, certify to the best of my knowledge, information and belief, that the statements made in this report are true and complete in every respect.

July 9, 2020 _____
Date

(Signed) *Glenn R. Yeadon* _____
Signature

Glenn R. Yeadon
Secretary and Director
Strategic Metals Ltd. _____
Name/Title