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**Strategic Resources Provides Mustavaara and Vanadium Market Updates****Highlights:**

- Key permit and environmental monitoring work is ongoing at Mustavaara
- The European Ferro-vanadium market has seen prices increase from US\$32.55/kg to US\$49.75/kg since December 2021, a 53% increase
- The pig iron market has seen prices increase to over US\$600/tonne versus the US\$450/tonne used in the 2021 PEA

**Vancouver, British Columbia – Strategic Resources Inc. (TSXV: SR)** (the “Company” or “Strategic”) is pleased to update shareholders on advances at the Mustavaara vanadium-iron project (the “Project”) and recent activity in the vanadium and pig iron markets.

**Mustavaara Project Advancement**

- 1) Exploration permit applications to transition the Project from reservation status were made in November 2021. This will advance all the concessions at the Project to the exploration license phase.
- 2) An application to extend the existing water permit allowing for future construction of mining operations at the Project was delivered to The Regional State Administrative Agency for Northern Finland in February 2022. It is Strategic’s expectation that, once approved, this will extend the permit an additional three years to mid-2025.
- 3) A proposal for an environmental baseline monitoring program was sent to The Centre for Economic Development, Transport and the Environment of North Ostrobothnia in November 2021. Strategic has received positive initial feedback on the program and will commence its monitoring efforts once formal approval has been received.

Further to the above-noted advancements and robust metal price environment, the Company is evaluating commencing a Pre-Feasibility Study (“PFS”) and recommencing the permitting work to construct the smelter that was contemplated in the 2021 Preliminary Economic Assessment (“PEA”). Initial work on permitting the smelter was conducted by Ferrovan Oy in 2018/2019 and the city of Raahе has made allowances for its construction in their land use planning. A decision on commencing a PFS is expected to be made in Q2 2022.

**Mustavaara 2021 Preliminary Economic Assessment Summary <sup>(1)</sup>**

The 2021 PEA outlined a 20-year mine life project that would produce 4.6 kt of Ferro-vanadium (“FeV80”) and 329 kt of pig iron per year. The 20% commodity price increase sensitivity case that used US\$38.40/kg FeV80 and US\$540/tonne pig iron for metal prices showed an after-tax NPV<sub>8%</sub> of €491 million and a 17.9% internal rate of return (see table below). Spot prices are US\$49.75/kg FeV80 in Europe and US\$600 to \$750/tonne pig iron depending on geography.

% of Base Case Prices	80%	100%	120%
FeV80 (US\$ per kg)	US\$25.60	US\$32.00	US\$38.40
Pig Iron (US\$ per tonne)	US\$360	US\$450	US\$540
Pre-Tax NPV (8%) (€M)	€ (88)	€286	€661
Pre-Tax IRR	5.8%	13.9%	20.2%
Post-Tax NPV (8%) (€M)	€ (115)	€190	€491
Post-Tax IRR	5.0%	12.2%	17.9%

### **Vanadium and Pig Iron Market Activity** <sup>(2) (3)</sup>

Prior to the conflict in Ukraine, rising FeV80 prices in China and Europe were driven primarily by new demand for structural steel. Prices rebounded from the lows of US\$21/kg during 2020 back to US\$39.25/kg in January 2022. The recent conflict in Ukraine has caused FeV80 prices to increase further to US\$49.75/kg in Europe. Russian-owned Evraz represents approximately 17% of global vanadium production from the reprocessing of vanadium-bearing slag from their steel furnaces.

Continued adoption of Vanadium Redox Flow batteries (“VRFB”) is also providing new demand for vanadium. Chinese vanadium demand for energy storage batteries is expected to triple this year as China looks to bring on new VRFB battery systems. Western VRFB developers such as Largo Inc. and Invinity Energy Systems have been making substantial advances on the production and sale of VRFB systems. Largo Inc. has also announced the launch of Largo Physical Vanadium Corp., which will hold physical vanadium that may be leased for long-term use in VRFBs sold through Largo. The initial financing for the physical trust is underway and is expected to raise up to C\$20 million.

Pig iron prices have been well over the US\$450/tonne used in the PEA, with current prices between US\$600 to US\$750 per tonne. The Ukrainian conflict has stopped Black Sea pig iron shipments. Ukrainian pig iron production has been idled and Russian pig iron producers are not able to get new supply to market easily. With Russia and Ukraine accounting for 60% of U.S. pig iron imports, consumers are turning to Brazil, but finding minimal relief given the lack of additional capacity.

Mustavaara and Finland have excellent potential to be reliable long-term suppliers of vanadium and pig iron into European and U.S. markets.

### **Corporate Matters**

The previously announced application to extend Strategic’s currently issued warrants to purchase up to 3,585,000 common shares at an exercise price of \$0.55 per share by one year, to April 20, 2023, was approved by the TSX Venture Exchange.

### **Notes**

- (1) For further details on the PEA estimates for the Project, please see the Company’s technical report entitled “NI 43-101 Technical Report on the Mustavaara Vanadium project, Finland” with an effective date of May 4, 2021, authored by Afry Finland Oy. The report can be found on SEDAR or at <https://strategic-res.com/projects/finland/mustavaara/technical-report/>.
- (2) Vanadium market commentary sourced from broker research and public disclosure.
- (3) Pig iron commentary sourced from Argus Media as of March 2, 2022.

## About Strategic Resources

Strategic Resources Inc. (TSXV:SR) is a Vancouver, Canada-based mineral exploration and development company focused on vanadium projects in Finland. The Company is primarily focused on its flagship Mustavaara vanadium-iron-titanium project in Finland. The Company continues to evaluate new opportunities that are related to the electrification of the economy.

Further details are available on the Company's website at <https://strategic-res.com/>.

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## STRATEGIC RESOURCES INC.

Signed: "Scott Hicks"

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*Certain statements and information herein, including all statements that are not historical facts, contain forward-looking statements and forward-looking information within the meaning of applicable securities laws. Such forward-looking statements or information include but are not limited to statements or information with respect to extending existing environmental permits, being granted exploration licenses for the Mustavaara concessions and evaluating commencing a PFS. Often, but not always, forward-looking statements or information can be identified by the use of words such as "will" or "projected" or variations of those words or statements that certain actions, events or results "will", "could", "are proposed to", "are planned to", "are expected to" or "are anticipated to" be taken, occur or be achieved.*

*With respect to forward-looking statements and information contained herein, the Company has made numerous assumptions including among other things, assumptions about general business and economic conditions, the prices of vanadium and pig iron, and anticipated costs and expenditures. The foregoing list of assumptions is not exhaustive.*

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