

29 September 2017

Dear Shareholder,

EXTRAORDINARY SHAREHOLDER MEETING
19TH OF OCTOBER 2017, 10:30AM
AT 55 BAKER STREET, LONDON W1U 7EU

Further to Strategic Minerals plc's (the "Company") RNS of 25 August 2017, please find enclosed the formal notice of the general meeting of the Company ("General Meeting"), along with a proxy form for that meeting.

The General Meeting has been called to vote on the establishment of a proposed share option scheme(s) to reward the Board and Management, should significant gains in the share price of the Company be achieved over the next five years. As all Board members would benefit from the proposed scheme(s), the Board considered it appropriate that the "in principle" approval for establishing the scheme(s) be determined by the shareholders in a general meeting.

The performance of the Company under the current Board and Management has greatly contributed to the Company's strong share price performance and has resulted in all existing share options now having vested. As part of the strategic management of the Company, the Board has set a target of growing the Company to a market capitalisation of more than £100m. To align the Board and Management with such a goal, and to ensure this is achieved to the benefit of all shareholders, the Board has proposed it be delegated authority to establish a new option scheme(s) as outlined in the meeting notice.

As share grants under the proposed scheme(s) are triggered by the achievement of share price targets, all shareholders should have benefited in the event that new share options vest and the Board and Management have structured the option tranches to reflect an approximate 10% profit sharing of benefits as reflected in the chart shown in Attachment A.

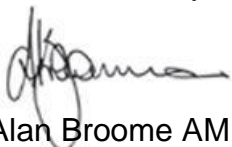
Should you have any queries relating to the meeting or the material being voted on, the Board encourages you to contact the Company on either:

Email : info@strategicminerals.net

Facebook : <https://www.facebook.com/search/top/?q=strategic%20minerals%20plc>

We look forward to the opportunity of meeting with our shareholders again.

Yours sincerely,



Alan Broome AM
Chairman and Non-Executive Director
Strategic Minerals plc

Attachment A

SML Shareholder Value Vs Option Holder Value

