

ASX Announcement
31st July 2020

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Highlights

- **Farm-in and Joint Venture with Territory Lithium Pty Limited to explore for gold and base metals**
 - **Gold and base metal projects acquired in the Northern Territory**
 - **Previous drilling at the Edwards Creek prospect intersected 4.5m @ 2.5% Cu, 0.67% Pb from 17m**
 - **Mineralised lead-zinc zone at the Box Hole prospect extends 6km**
 - **Rock chip sampling at Bruce's Gold prospect returns up to 53g/t Au**
- **Secures highly prospective tenements for Gold in prolifically mineralised terrains**
 - **Two exploration licence applications ("ELA") in the Albany Fraser Belt, interpreted to occur along strike of the well-endowed Boulder Lefroy Fault Zone ("BLFZ") and the Zuleika Shear ("ZS").**
 - **Untested, large and continuous soil anomalies within the applications are spatially related to these mineralised structural corridors.**
 - **Historical drilling intersections up to 3 g/t Au remain open and the associated soil geochemistry suggests the mineralisation is much more extensive than indicated by drilling.**
 - **An ELA north of the Golden Chimney Project contains very anomalous gold geochemistry in RAB drilling and remains untested by RC drilling.**
- **Received an allocation of \$600,000 to create exploration tax credits for the 2021 income year in the Junior Minerals Exploration Incentive ("JMEI")**
- **Progressing re-permitting of the direct shipping ore ("DSO") project at Nelson Bay River Iron Project ("NBR")**
 - **Iron Ore prices remain robust in current environment.**
 - **Mine in ready state to recommence production at short notice with existing development in place.**

Arunta Joint Venture

Shree Minerals Ltd (“Shree” or “SHH” or the “Company”) has entered into a farm-in and joint venture agreement (“Arunta Joint Venture”) with Territory Lithium Pty Limited (“TLPL”) to explore TLPL’s tenements for gold and base-metals.

The projects of the Arunta Joint Venture are the Box Hole, Edwards Creek and Bruce Gold Projects located in the Northern Territory. The tenements subject to these are EL 31225, EL32419 and EL32420 covering an area of ~380 square kilometres of ground in the highly prospective Arunta Region and 100% owned by TLPL. (Figure 1). Significant projects in the area include the Jervois Copper Project and the Johnnies Reward Gold-Copper Project.

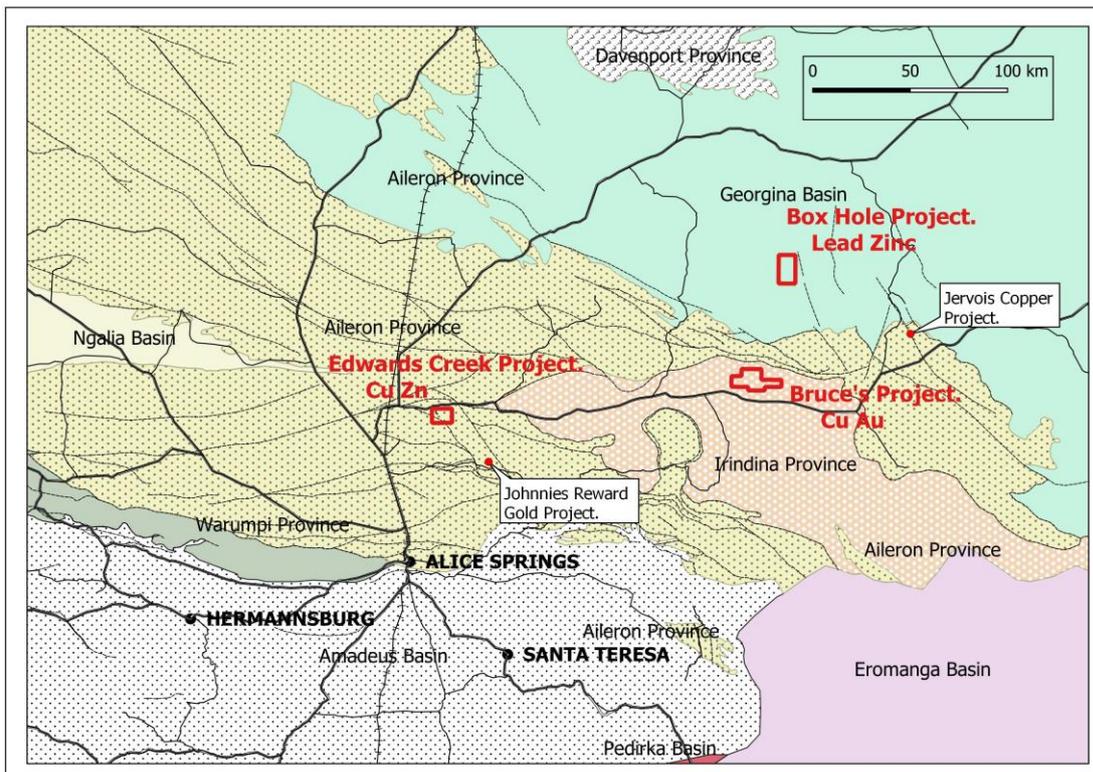


Figure 1. Regional location of the Arunta Joint Venture projects and major resource projects in the region

The principal terms of the Arunta Joint Venture include:

- SHH can earn a 50% equity interest in the Joint Venture through the total expenditure of \$50,000.
- Once SHH has earned a 50% equity interest, further Joint Venture expenditure contributions will be pro-rata, or else a non-contributing party’s equity will be diluted using the standard industry dilution formula.
- If SHH were doing sole expenditure, its share of equity in the Joint Venture would increase to 90% by it making a total expenditure of \$450,000.
- Should a party’s equity in the Joint Venture fall to 10%, its share will be automatically acquired by the other party in exchange for a 1% NSR Royalty.
- SHH will manage the Joint Venture during the earn-in stage, and while ever it holds majority equity.

Edwards Creek Project

Previous exploration at the Edwards Creek prospect discovered copper-(gold) mineralisation that has been interpreted to be metamorphosed volcanic massive sulphide. The style of mineralisation has similarities to the Johnnies Creek copper-gold project and the Jervois Copper Project.

In 1980, CRAE identified an EM conductor associated with a prominent siliceous gossanous hill shown in Figure 2. Rock chip sampling of the gossan returned up to 0.64% Cu, 0.64% Pb, 1.28% Zn. Copper staining of the rocks is common throughout gossanous areas, illustrated in Figure 3. Two diamond drill holes by CRAE (DD80EC01 and DD81EC02) intersected strata-bound base metal mineralisation.

**4.5m at 2.25% Cu, 0.11% Pb, 1.54% Zn, 0.14 g/t Au from 47.45m
Including 0.72m at 7.11% Cu, 1.9% Zn, 0.24 g/t Au in hole DD80EC02.**



Figure 2: Edwards Creek ferruginous ridge (gossan)

Figure 3: Malachite staining on strongly oxidised ferruginous quartz rock

Shree considers the source of the strong conductor at Edwards Creek is not adequately explained. The gossan remains open down dip and along strike. The project requires further assessment of the EM surveys discussed above, using modern filtering and modelling techniques to design definitive drill programs. Additional holes drilled to test the strong EM conductor identified by CRA will be surveyed with downhole electromagnetics to assist modelling and targeting. SHH will also review previous exploration data to assist targeting of the mineralised horizon along strike where drilling has not been conducted previously. Reconnaissance work and sampling is required around the mapped syncline, as well as regional reconnaissance.

Box Hole Project

The project is prospective for large tonnage carbonate-hosted lead-zinc deposits of the Mississippi Valley Type (MVT). Examples of this type of deposit in Australia include the Cadjebut and Blendevale Mines near Fitzroy Crossing in Western Australia.

Box Hole is centred on the King's Workings that were mined by hand in the 1960's for galena. 15 tonnes of galena with an average grade of 66% Pb, 58.5g/t Ag and 0.43% Bi was hand-picked and sold to the Broken Hill Smelter.

The Pb-Zn mineralisation is hosted by a mixed carbonate and shale sedimentary sequence within the Georgina Basin (Figure 1). The mineralisation is generally associated with silicified dolostone containing **gossans that extend for over 6km** in a north-south orientation parallel to faulting and anticlinal hinges (Figure 4). The faults could represent the growth faults that have acted as conduits for hydrothermal fluids derived from the basin. The most significant exploration program was completed by Uramet Minerals in 2007-9 comprising various IP and gravity surveys, geochemical surveys and shallow drilling. Uramet conducted RAB drilling of only selected gravity and IP targets, interpreted to be less than 75m deep. The best intersection was:

**12m at 2.8% Zn, 0.67% Pb from 17m in HDB045
Includes 1m @ 14.7% Zn, 0.3% Pb from 24m.**

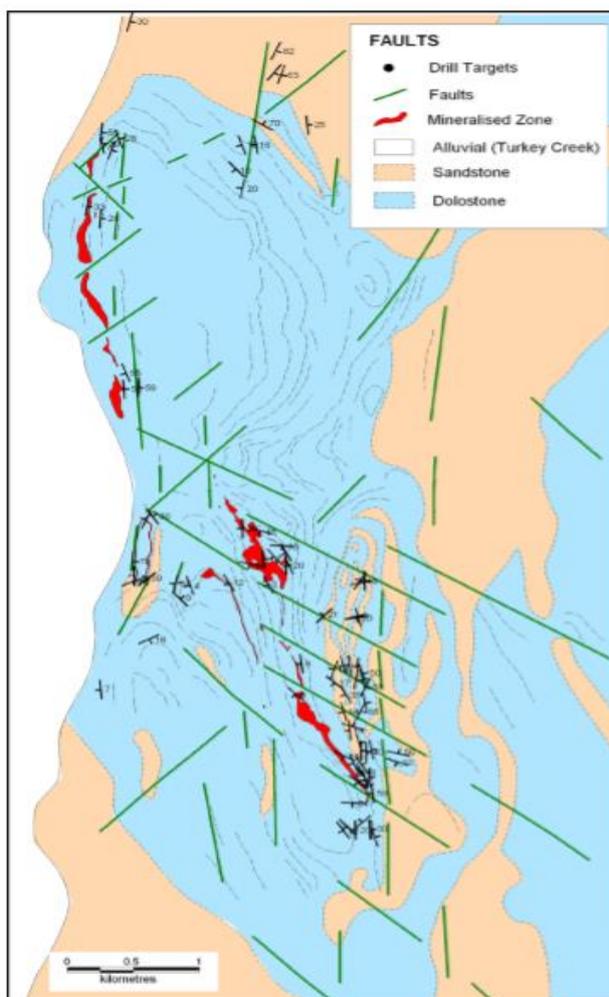


Figure 4. Geological plan of the Box Hole project area (Penna 2009).

There are several strong deep IP anomalies that were not RAB drilled by Intercept (Uramet). The IP anomalies provide significant target positions, especially those that were considered too deep by Intercept Minerals. Several IP anomalies are coincident with regional faulting (possible growth faults), adding weight to their prospectivity. The IP anomalies may represent mineralisation leakage from a more substantial mineralising system or significant mineralisation proximal to an unknown growth fault.

Processing and modelling of the gravity and IP data, using modern filtering and processing techniques will refine target areas. Following target generation, close spaced soil sampling, followed by drilling of the high priority coincident gravity, IP and geochemical anomalies is highly recommended. Shree intends to update the review of the project and to assist with the generation of targets for follow up work and drill testing.

Bruce Gold-Copper Project

Rock chip sampling of gossanous quartz veins at the project by the Northern Territory Geological Survey (NTGS) returned grades of up to 53g/t Au.

The veins are hosted by a mixed rock sequence including mica schist, calc-silicate and amphibolite that form part of the Irindinia Gniess. The veins are related to an east-west striking and south dipping shear zone. Prospecting along the veins by Olympia Resources in 2005 located intermittent exposures of the gossanous quartz veins over a 2km strike length. A literature review found little evidence of previous exploration. The veins have a brecciated texture containing clasts of mica schists, sulphidic sediment, and massive sulphides. Copper staining of the rocks is common, illustrated in Figure 5. Typical outcrop of the quartz gossan veins is shown in Figure 6.



Figure 5. Malachite in gossanous veins at Bruce's Prospect; samples from here yielded 1.9g/t Au and 1.6% Cu.

Figure 6: Outcropping gossanous quartz veins at Bruce's Gold Prospect.

A soil sampling program by Olympia identified a low-level gold anomaly that indicated soil sampling was only partially effective at delineating the mapped mineralised veins. Follow up drilling targeted the soil anomalies rather than the mapped quartz veins returning only narrow intervals of gold mineralisation.

Regional aerial imagery interpretation by Shree has identified several other quartz veins throughout the project area, illustrated in Figure 7. Field reconnaissance is required to determine if these veins have the same gossanous characteristics seen at Bruce's Prospect.

Ultra-fine soil sampling is a relatively new and inexpensive technique that has had success in identifying anomalous geochemistry in areas of transported soil cover. Ultra-fine soil sampling may identify a much longer and substantial mineralised halo. Alternatively, auger or RAB drilling to collect meaningful geochemical samples is well suited to the desert sands.

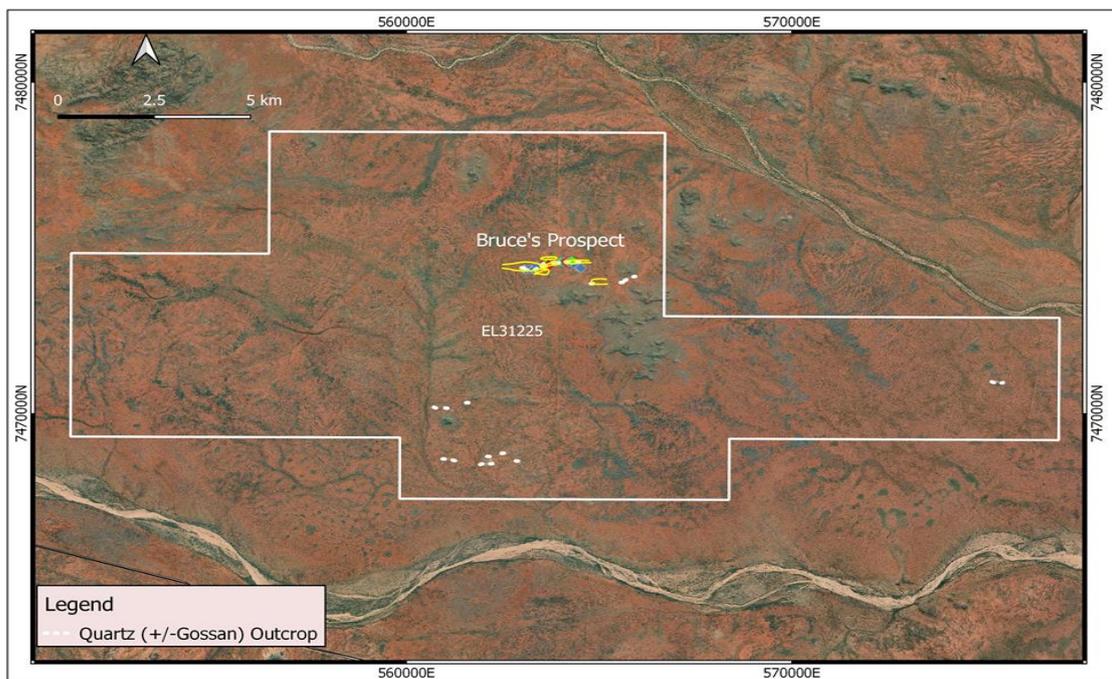


Figure 7. Shree has identified several other unsampled quartz veins throughout the project area. Image is the aerial photo of the very large exploration licence.

Dundas Project

The Company has lodged applications for two Exploration Licences (ELA), 60 kms east of Norseman Western Australia, E63/2046 and E63/2048 (Dundas project), illustrated Figure 8.

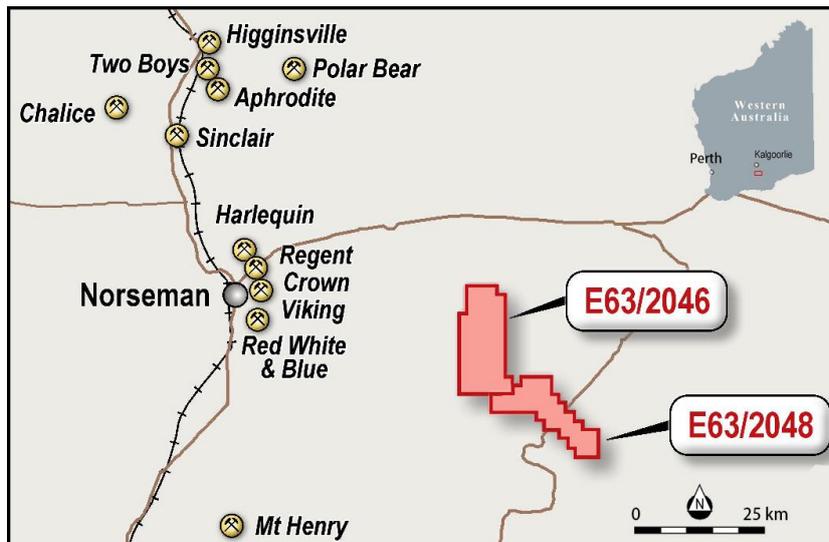


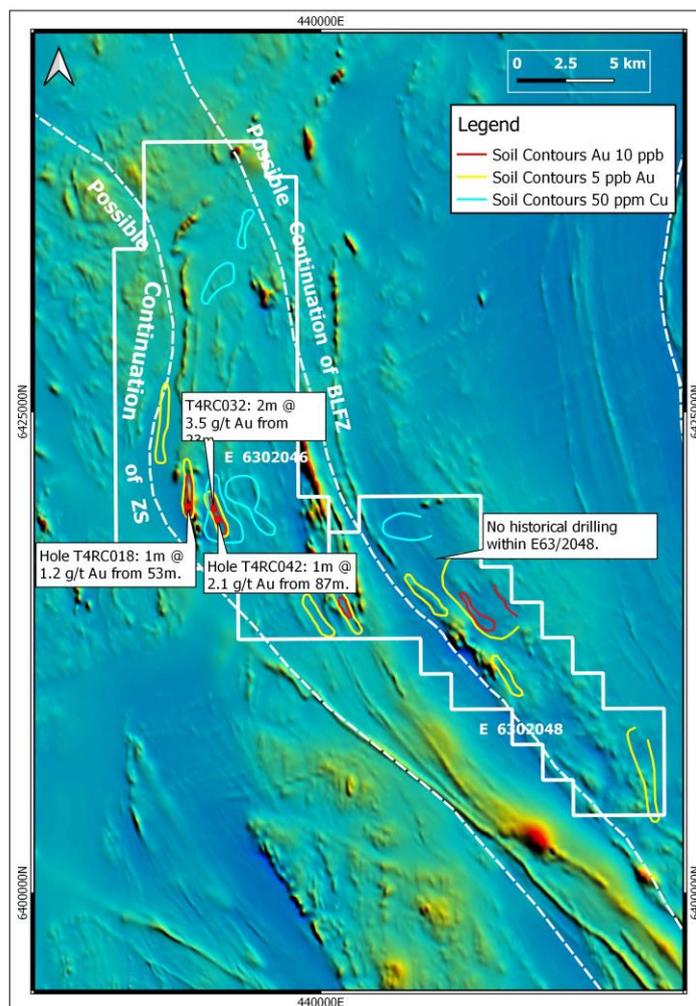
Figure 8. Regional Location of the Dundas Project

Only very limited historical exploration has been carried out in the area due to the thin blanket (usually 5 – 10m) of transported cover. One km spaced auger soil traverses undertaken by AngloGold Ashanti Australia (AngloGold) and a localised RAB/RC drilling program by Pan Australian Resources during the 1990's has identified the presence of gold mineralisation hosted by mafic rocks in E63/2046. Reported intersections include:

T4RC032	2m @ 3.5g/t Au from 23m
T4RC042	1m @ 2.1g/t Au from 87m
T4RC0018	1m @ 1.2g/t Au from 53m

The mineralisation remains open and the associated Au and Cu soil geochemistry (AngloGold's data) suggests the mineralisation is much more extensive than indicated by drilling, as illustrated in Figure 9. Several large and robust gold in soil geochemical anomalies, up to 6 kms in length, are spatially associated with the interpreted BLFZ in E63/2048 and represents a high priority for drilling for Shree Minerals (Figure 9).

Figure 9. Historical data summary showing soil geochemical contours and anomalous drilling intersections of the exploration licence applications. Underlying image is the regional aeromagnetic image. The location of the BLFZ and the ZS is interpreted from the aeromagnetic data.



Ulysses South Project.

The project area consists of 1 ELA (E40/384) and is located 30 kms south of Leonora and 6 kms north of Shree's Golden Chimney exploration licence (E40/378). The new tenement is located 15 kms south of the developing Ulysses Group of Gold Mines.

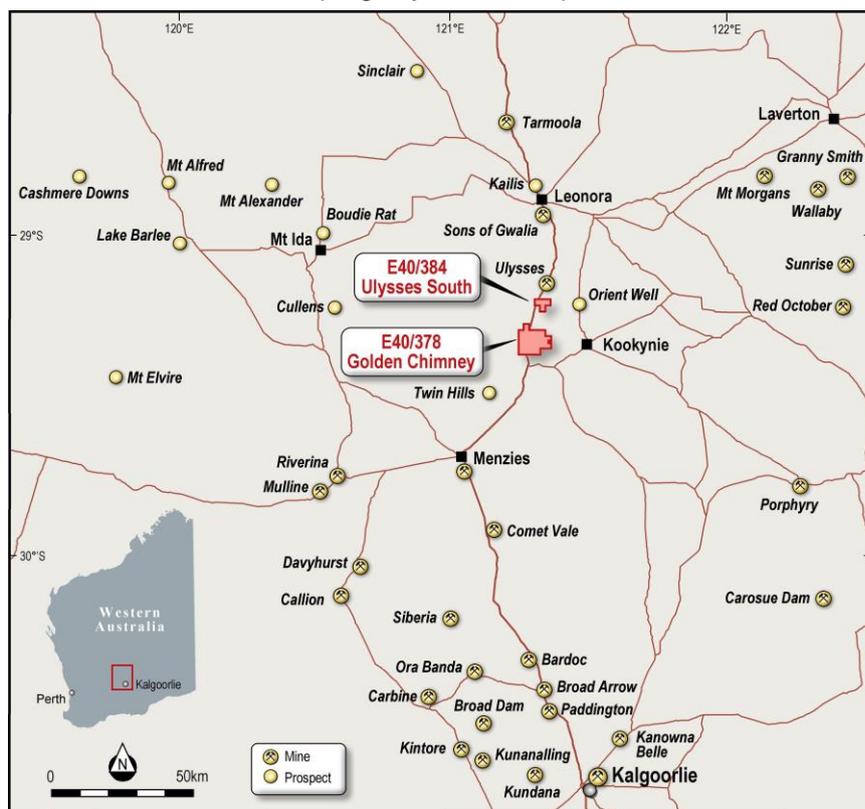


Figure 10. Regional location of the Ulysses South & Golden Chimney Projects

The 100% owned tenement has been previously explored by several companies including Money Mining (1992-1996), Asarco Pty Ltd (1984-1988), and Consolidated Gold Operations (1995-1996). The most comprehensive exploration within the area of E40/384 was conducted by Aberfoyle during the period from 1995-1996. Aberfoyle conducted aeromagnetic interpretation, soil and vacuum drilling and RAB and RC drilling. Figure 10 summarises Aberfoyle's soil geochemistry contours and the maximum gold (ppm) in RAB drilling.

Regolith mapping by previous workers and drilling has shown this tenement is mostly underlain by laterite and weathered transported overburden, sometimes up to 60m deep in the western edge of the tenement. As such, subtle soil anomalies, illustrated in Figure 11, may be more significant here than less covered terrains.

Of note is RAB hole ROCW375 where 4 separate gold intervals were intersected within the weathered saprolitic zone. Best intersections include:

ROCW0385 1m @ 0.31g/t Au from 42m
1m @ 0.14g/t Au from 45m

RAB hole ROCW0387 is also anomalous to the north.

ROCW0387 4m @ 0.18g/t Au from 30m

No follow up drilling was conducted.

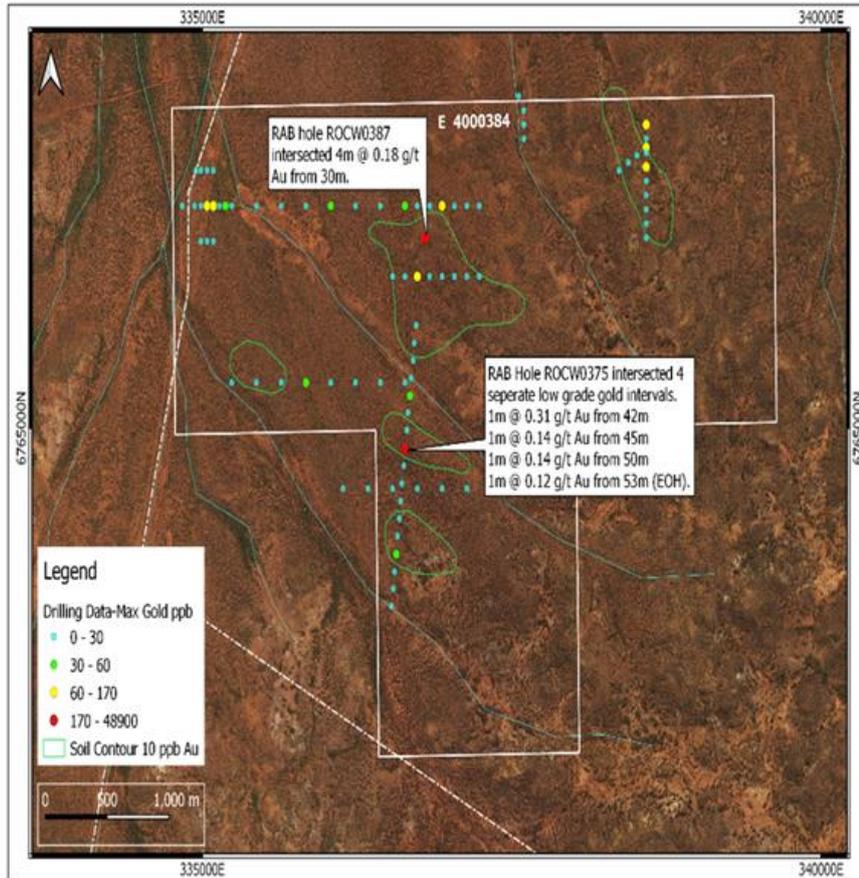


Figure 11. Historical data summary of application E40/384. Underlying image is the aerial satellite image of the area.

Upon granting of the tenement, Shree will conduct reconnaissance aircore drilling in the vicinity and the surrounds of holes ROCW0375 and ROCW0387. Drill holes with anomalous drilling intersections will then be evaluated by RC drilling.

GOLDEN CHIMNEY PROJECT

The project is located 40km south of Leonora (Figure 10). The world class deposit known as the Sons of Gwalia Gold mine occurs within this geological terrain (1.9 Moz Au in reserve at a grade of 7.5 g/t Au and past production of 4 Moz Au). Other significant and economic deposits include King of the Hills Mine (resources of 380,000oz Au), Tower Hill (625,000oz Au in resources), and Kallis– Trump and Ulysses (760,000oz Au in resources).

While field exploration was hampered during the quarter due to COVID, desktop studies have been conducted over Golden Chimney project to interpret geology & identify further work areas.

Junior Minerals Exploration Incentive (“JMEI”)

The Company is pleased to advise that it has been successful in its application to participate in the Junior Minerals Exploration Incentive and has received an allocation of \$600,000 to create exploration credits for the 2021 income year. This allows the Company to create exploration tax credits by raising capital and conducting eligible exploration activities. The exploration credits can subsequently be distributed to eligible investors. Australian resident shareholders who are issued an exploration credit will be entitled to a refundable tax offset or, if the shareholder is a corporate tax entity, additional franking credits. Exploration credits issued to the eligible investors must be in proportion to their exploration investment. Eligible investors are those investors who have participated in any new capital raising issued in the form of ordinary shares.

Nelson Bay River Iron Project

The Nelson Bay River Iron Ore Mine (the mine, NBR or the Project) is located in north-western Tasmania. NBR was previously producing direct shipping Iron Ore (Fines & Lump) products until being placed on care and maintenance since June 2014 following sharp iron ore price falls.

Following the recent improvement in Iron Ore Prices, Shree is proposing to re-open the mine and is seeking environmental permit from Tasmanian EPA. These would allow the company to complete the existing DSO pit ("SDSO") by extracting, processing (crushing and screening) and shipping the remaining hematite ore. The NBR product (DSO Lump and Fines) has been very well received and is in demand by customers due to its low impurities like alumina (Al_2O_3) at only 1.3%.

As part of the process, a working Draft DPEMP has been prepared earlier this year to facilitate finalisation of various technical studies & plans. While the progress during the quarter was hampered due to COVID issues, the company is working in consultation with EPA to finalise the DPEMP. The Company is targeting DPEMP finalisation this year to facilitate progress to next stage of approval process. On that basis, the company hopes to be in a position to consider decision for recommencement of the mine in 2021.

The SDSO pit is proposed to be deepened to mine the remains of the near-surface oxidised ore body, comprising DSO hematite, to a depth of approximately 80 m. Figure 12 shows proposed development.

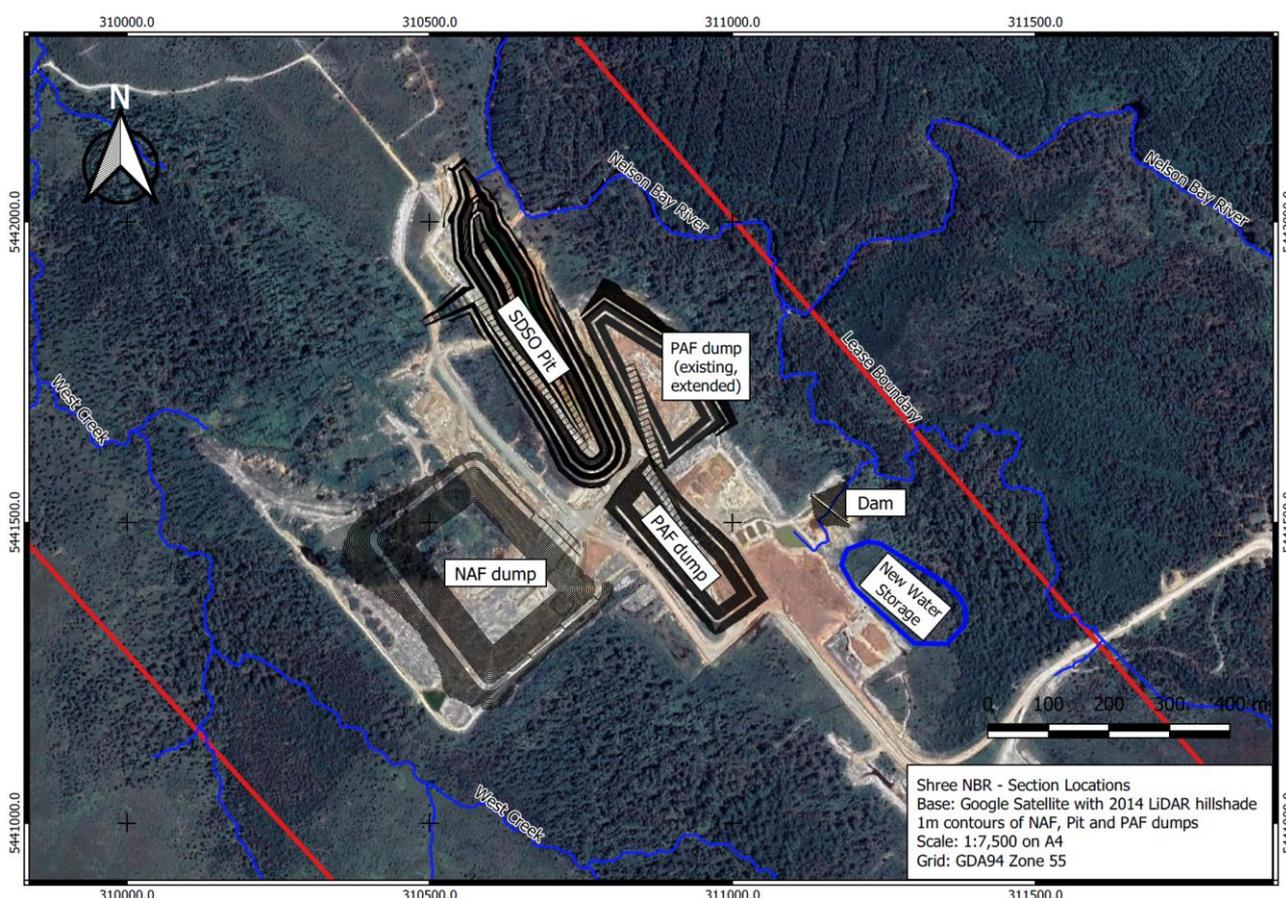


Figure 12: Proposed Development of DSO operations

Business Development.

Shree is continuing to identify and assess exploration and early development opportunities throughout Australia in Gold and Base Metals projects.

Competent Person Statement

The review of historical exploration activities and results contained in this report is based on information compiled by Michael Busbridge, a Member of the Australian Institute of Geoscientists and a Member of the Society of Economic Geologists. He is a consultant to Shree Minerals Ltd. He has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code).

Michael Busbridge has consented to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the information in the original reports, and that the form and context in which the Competent Person's findings are presented have not been materially modified from the original reports.

Where the Company refers to the Mineral Resources in this report (referencing previous releases made to the ASX), it confirms that it is not aware of any new information or data that materially affects the information included in that announcement and all material assumptions and technical parameters underpinning the Mineral Resource estimate with that announcement continue to apply and have not materially changed.

Cautionary Statement (for Box Hole, Edwards Creek, Bruce Gold, Dundas and Ulysses South Gold Projects)

- **The Exploration Results for Box Hole, Edwards Creek, Bruce Gold, Dundas and Ulysses South Gold Projects have been reported by former owners;**
- **The source and date of the Exploration Results reported by the former owners have been referenced in the company's announcement to ASX dated 30/6/2020 and 15/07/2020;**
- **The historical Exploration Results have not been reported in accordance with the JORC Code 2012;**
- **A Competent Person has not done sufficient work to disclose the historical Exploration Results in accordance with the JORC Code 2012;**
- **It is possible that following further evaluation and/or exploration work that the confidence in the prior reported Exploration Results may be reduced when reported under the JORC Code 2012;**
- **That nothing has come to the attention of the acquirer that causes it to question the accuracy or reliability of the historical Exploration Results; but**
- **Shree has not independently validated the historical Exploration Results and therefore is not to be regarded as reporting, adopting or endorsing those results**
- **A summary of the work programs on which the Exploration Results quoted in this announcement are included as Appendices in the company's announcement to ASX dated 30/6/2020 and 15/07/2020;**
- **There are no more recent Exploration Results or data relevant to the understanding of the Exploration Results;**
- **An assessment of the additional exploration or evaluation work that is required to report the Exploration Results in accordance with JORC Code 2012 will be undertaken following acquisition & will be funded by the Company.**

Tenements

- The mining tenements held at the end of quarter and their location.

Mine Lease/ Exploration License	Locality	Remarks
3M/2011	Nelson Bay River	100% Shree Minerals Ltd
E40/378	Golden Chimney	100% Shree Minerals Ltd
E40/384	Ulysses South	ELA, 100% Shree Minerals Ltd
E63/2046	Dundas	ELA, 100% Shree Minerals Ltd
E63/2048	Dundas	ELA, 100% Shree Minerals Ltd. This ELA made in July 2020.

ELA: Exploration Licence Application

- **The mining tenement interests relinquished during the quarter and their location**

NIL

- **The mining tenements interests acquired and disposed of during the quarter and their location**

NIL (Other than ELA's as referred above)

- **The beneficial percentage interests held in farm-in or farm-out agreements at the end of the quarter**

NIL

- **The beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the quarter**

NIL (The Company has entered into a farm-in and joint venture agreement ("Arunta Joint Venture") with Territory Lithium Pty Limited ("TLPL") as referred in this agreement but has not yet earned any beneficial percentage interest).

The release of this document to the market has been authorised by the Board.