



# SHREE MINERALS LTD

**ASX Announcement**  
7<sup>th</sup> March 2019

## Shree Minerals Limited exercising option to acquire Golden Chimney Gold project in Leonora, Western Australia

### Highlights

ASX Code SHH

ACN 130 618 683

#### COMPANY DIRECTORS

Sanjay Loyalka  
Director and  
Company Secretary

Andy Lau  
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- **Shree Minerals Limited (ASX:SHH) entered into an option to acquire the Golden Chimney Project from Carmichael Prospecting Company Pty Limited on 4 October 2018**
- **The consideration is via a share based payment of 9,000,000 ordinary shares**
- **The project was under application and SHH received confirmation on 20 February 2019 that the application has now achieved 'granted' status**
- **Following granting of the licence, SHH has commenced preparations to immediately commence exploration activities to determine the prospectivity for minerals, specifically gold.**

Following on from its recent Nelson Bay Iron Project Update announced to ASX on 20 February 2019, Shree Minerals Ltd (Shree or the Company) is pleased to provide the following update in relation to the decision to exercise the Golden Chimney gold project following granting of the lease on 20 February 2019.

SHH Executive Director Sanjay Loyalka said "We have been eager to commence exploration activities on the Golden Chimney gold project. The project has now received formal granting and the Company is in a position to execute a clear exploration strategy to determine the prospectivity of these prospective gold assets. WA gold has been a strong sector and the Leonora province has re-emerged as a historic gold region. We look forward to updating shareholders on the progress in WA while we also continue to advance the Nelson Bay Iron project in Tasmania."

#### Golden Chimney Project

The Golden Chimney Exploration license (E40/378) is located approximately 180km north of Kalgoorlie, 45km South of Leonora WA, 13km South of the historic Ulysses gold mine, 40km South of the Thunderbox (Kallis) gold mine, 60km South West of the Murrin South Nickel Cobalt Mine with the main highway passing through the application area.

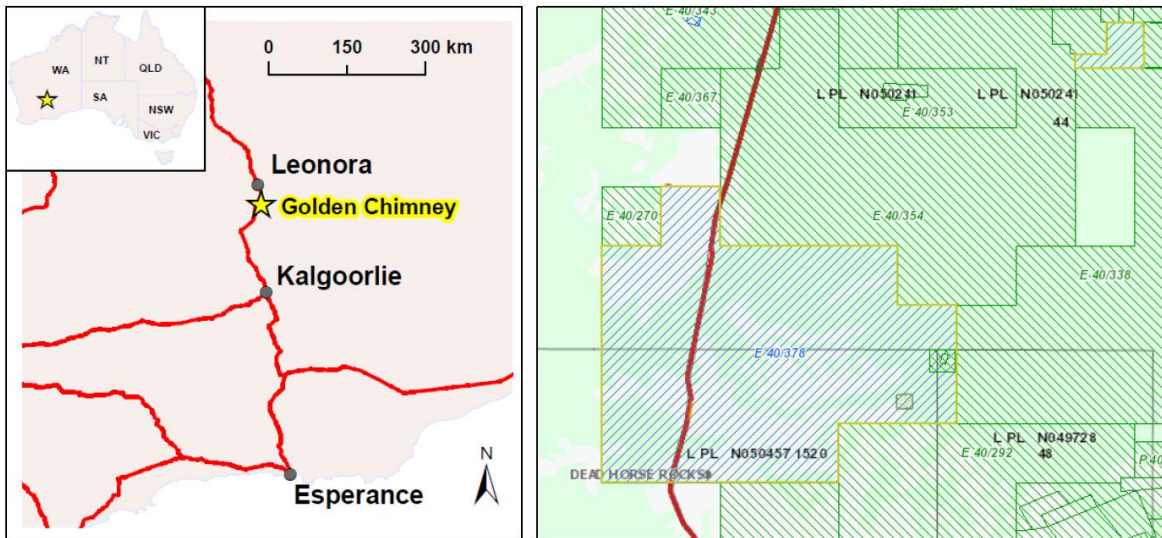


Figure 1. Project Location

The tenure is largely covered by alluvium, Quaternary drainage and laterite. E40/378 offers a moderate amount of visible outcrop across the tenement.

The tenure lies within the Gindalbie Domain of the Kurnalpie Terrane, part of the Eastern Goldfields Superterrane (Cassidy et al, 2006). The Gindalbie Terrane comprises a bimodal mafic to volcanic succession with felsic volcanics developed higher in the sequence (McIntyre, J. 2012). The tenure is further characterised by the Malcomb Greenstone Belt bound by the Raeside Granitoid Complex and Moriarty Shear to the West, the Keith Kilkenny shear zone to the East and is host to the Melita, Teutonic Bore and Jeedamyia Complexes. Brown et al. (2002) proposes a shallow sub aqueous environment in a back-arc rift within a convergent margin (plate boundary) setting for the belt. E40/378 comprises the Melita Formation (rhyolite and gabbro/dolerite dykes/sills, the Carpet Snake Syenogranite to the west and Niagara Igneous (mafic) Complex to the East. Late granitoid intrusions with ductile wall rock deformation, brecciated mafic rocks, fractionated zones of the Niagara complex and unfractionated dolerite are all noted as host rocks for gold mineralisation.

Golden Chimney is interpreted to comprise epigenetic vein and lode style mineralisation hosted in iron rich host rocks such as the dolerite sills. Structural corridors host to local gold deposits comprise notable amounts of white buck quartz with gold occurring in narrow bands of laminated quartz with shoot orientations characterised by kinks relating to cross cutting features. Rheology plays a part in that the competent dolerite and or more competent and or fractionated granite may host the most favourable sites for mineralisation. i.e. brittle fracture and structural intensity.

The Two Dees historic mine just north of E40/378 is reported to have produced 3,616tonnes mined and 54kg of gold from north-north westerly trending quartz veins, dipping 30-60° with minor carbonate, pyrite, galena and scheelite. The champion lode within the Melita map sheet reportedly extended 2,500m.

Previous exploration has included stream sediment sampling, soil sampling and RC drilling with the focus being on two prospects called Golden Chimney and Golden Chimney West.

A major north-south trending structure named the Mt George Structural Lineament transects the exploration license and displays a high level of deformation as a shear zone of up to several kilometres wide. The mineralisation consists of pyrite / pyrrhotite and traces of arsenopyrite and chalcopyrite with anomalous gold and arsenic, associated with quartz and carbonate veining.

Previous geological activities have suggested the requirement for additional geophysical and geochemical work to further test the mineralised potential of the prospects. Positive initial

exploration initiatives will provide a greater level of certainty to follow up the prospects with a targeted drilling program. Recent success at the Ulysses project, which is in a similar structural corridor to Golden Chimney, should increase the prospectivity of this area.

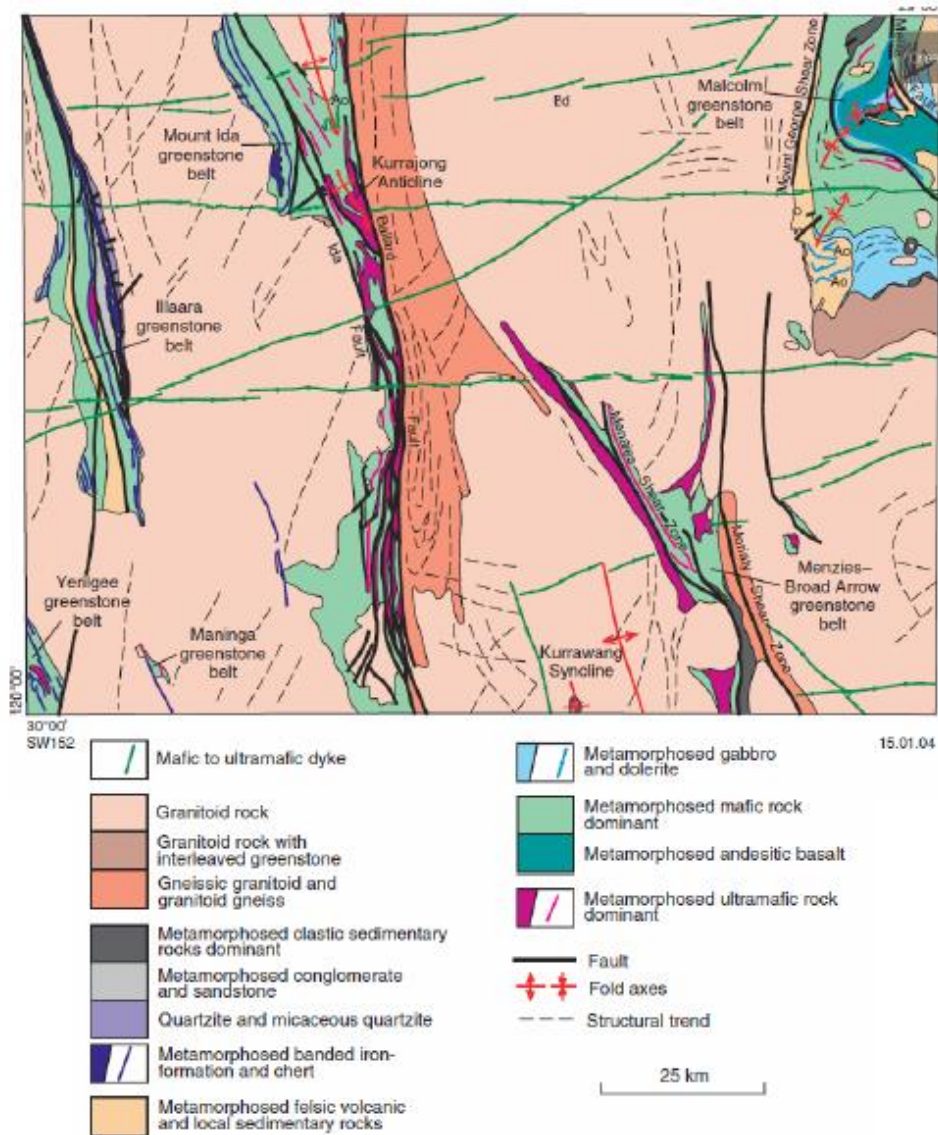


Figure 2. GSWA 1:250k Menzies geology

### Next steps

The Company has already commenced preparations to immediately commence exploration activities to determine the prospectivity of the project. Initial steps prior to the applying for relevant permitting and commencing of drilling will focus on:

1. A more detailed review of historic reports and data mining;
2. The registering, digitising and tabulating of remaining historic results from scanned reports;
3. Reviewing and tabulating mineral occurrences and alteration within the Melita complex and Niagara Igneous Formation for the potential use of spectral imagery and or analysis of field specimens;
4. Conducting field mapping;

5. Collecting rock specimen samples from key geological units across prospects and historic mines;
6. Undertaking field portable analysis, whole rock and petrophysical analysis of the key rock types;
7. Processing geophysical data;
8. Formulating a new detailed geochemical and geological interpretation;
9. Conducting infill geochemical lines and apply modern field portable and commercial analysis; and
10. Formulating key mineralisation proxies, generate and rank drill targets.

Further information on the progress of these steps will be released to the market as appropriate during this upcoming phase.

### **About Shree Minerals Limited**

Shree Minerals Limited is an exploration and mine development company including being engaged in mining and production of iron ore and dense media magnetite at its Nelson Bay River Iron Project in the north-western Tasmania.

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