



SHREE MINERALS LTD

ASX Announcement
4 October 2018

Shree Minerals Limited launches underwritten Rights Issue and enters into option over WA gold leases

Highlights

ASX Code SHH

ACN 130 618 683

COMPANY DIRECTORS

Sanjay Loyalka
Director and
Company Secretary

Andy Lau
Non-Executive
Director

Amu Shah
Non-Executive
Director

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- **Shree Minerals Limited (“SHH” or the “Company”)** to raise **\$1,421,842** via a **non-renounceable rights issue**, fully underwritten by **DJ Carmichael Pty Limited (“DJC”)**;
- **Funds to provide for further resource evaluation and exploration work;**
- **Mr Davide Bosio to join the SHH board; and**
- **SHH to enter into an option to acquire Leonora and Coolgardie leases prospective for gold in WA.**

Shree Minerals Limited is pleased to announce that it has reached agreement (subject to completion of rights issue documentation) with DJC to underwrite a 1 for 1 non-renounceable rights issue at \$0.005 per fully paid ordinary share (“**Share**”) to raise \$1,421,842 (less underwriting costs).

The capital raised under the rights issue will be utilised to ensure that the Company can meet ongoing costs associated with the Nelson Bay River Iron Project as well as the continued sourcing and evaluation of new potential opportunities suited for SHH and its shareholders in the resources sector. As part of that strategy, the Company has entered into an option agreement over two exploration licence applications, known as the Golden Chimney Project and Karramindie Gold Project from Carmichael Prospecting Company Pty Limited, a wholly owned subsidiary of DJC (“**Carmichael Prospecting**”), via the payment of a non-refundable deposit of \$10,000. Upon exercise of the option up to 13,000,000 Shares will be issued to Carmichael Prospecting (**Tenement Acquisition**). The Tenement Acquisition is conditional upon the granting of the exploration licences as well as the receipt of all necessary regulatory approvals, including shareholder approval, to the issue of the shares for the Tenement Acquisition.

Alongside this transaction, the directors have agreed to convert existing outstanding fees owing to each of the Directors to Shares in the Company, subject to the receipt of the necessary shareholder approvals. Information in relation to the conversion of these fees to Shares are expected to be set out in the Company’s notice of annual general meeting to be circulated in coming weeks ahead of the meeting at the end of November 2018.

Finally, the Company confirms that it is proposing to undertake a placement of options, subject again to the receipt of necessary shareholder approvals to raise \$14,218. Again, details of the option placement, will be set out in the Company's notice of annual general meeting to be despatched in the coming weeks.

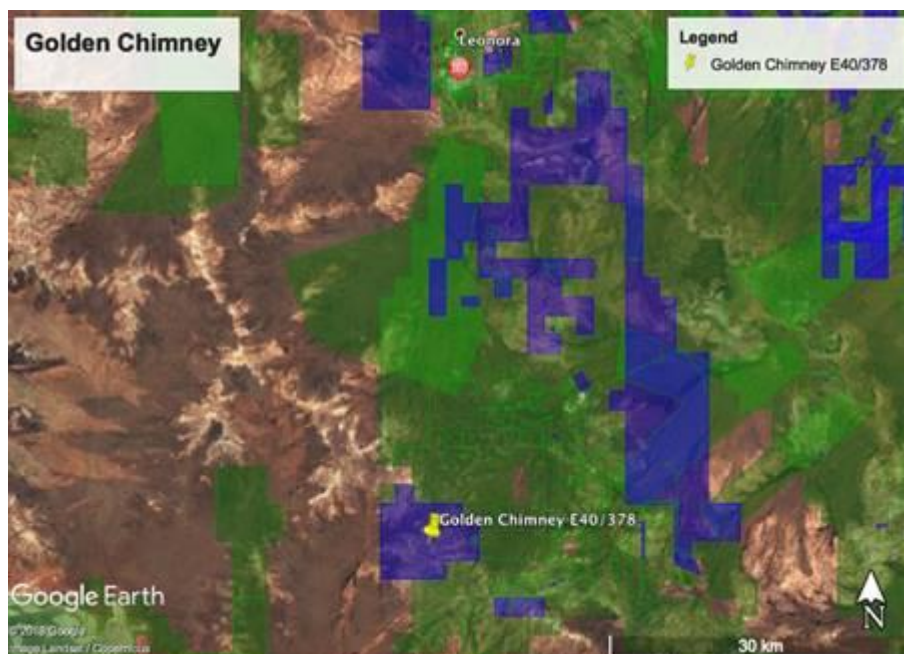
SHH Executive Director Sanjay Loyalka said *"We look forward to an exciting period ahead for SHH shareholders. The certainty of funding post the completion of this underwritten offer ensures the current assets are well funded while the Company reviews new opportunities in the resources sector."*

Golden Chimney Project

The Golden Chimney Exploration license E40/378 is located approximately 180km north of Kalgoorlie, between Menzies and Leonora with the main highway passing through the application area. 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 aeromagnetic 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 RC and diamond drilling program in the future. Recent success at the Ulysses project, which is in a similar structural corridor to Golden Chimney, should increase the prospectivity of this area.



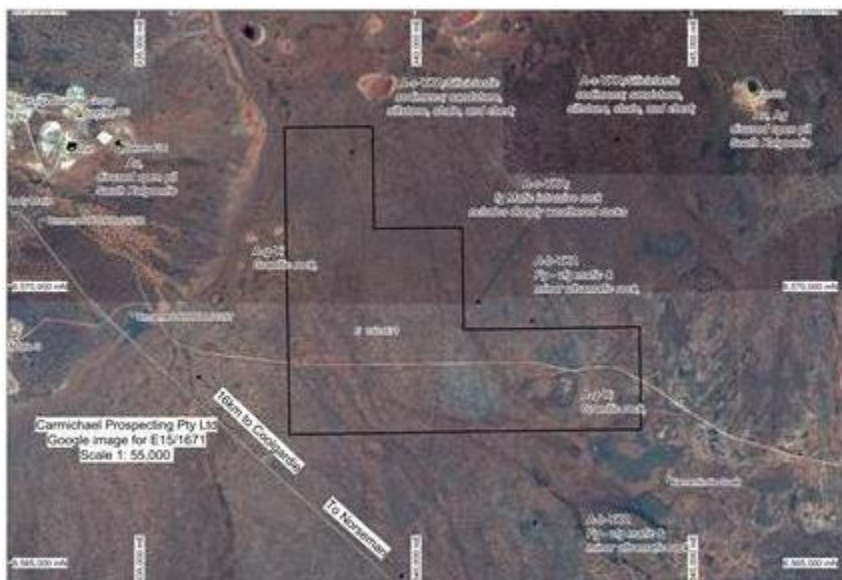
Source. Money Mining NL Annual Report to 6th June 1993

Karramindie Gold Project

The project is located in the Coolgardie domain of the Kalgoorlie Terrane. The application area is dominated by the north / northwest trending greenstone belt, with granitic intrusions in the northeast and southwest. Greenstone lithologies include ultramafics, komatiitic basalts, mafic volcanics, dolerite / gabbro intrusions, clastic sediments and felsic volcanics. The belt

lies along the interpreted position of the Kunanalling Shear, a major north / north-westerly trending fault zone that can be traced for over 140km.

The tenement covers a conceptually prospective area comprising a southeast-plunging anticline of ultramafic and mafic rocks cored by Granodiorite, adjacent to a splay off the Zuleika shear zone in the east. This is separated from the White-Flag Formation felsic-intermediate volcanoclastic rocks, ultramafic and high Mg basalt by the Kunanalling shear and splays off this in the west. The nearest economic mineralisation is at Freddo, a small oxide pit mined by Newcrest Mining with mineralisation on the sheared contact between mafic porphyry and ultramafic. Approximately 2.9km to the west is Bakers Flat, which is part of South Kalgoorlie Operations and currently owned by Northern Star Resources.



Coolgardie: Karamindie E15/1671

New Board Appointment

The Company advises that Mr Davide Bosio has agreed to join the Board of Directors as a Non-Executive Director effective immediately.

Davide is the Managing Director, Chief Executive Officer and Head of Corporate at DJC, which is Western Australia's oldest stockbroker. Davide has over 17 years' experience in the stockbroking industry with a focus on corporate services to listed companies, specifically in relation to capital raisings and M&A advice.

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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