



SHREE MINERALS LTD

Quarterly Report
Period ending 31st December 2018

ASX Announcement
16th January 2019

Highlights

- **Shree Minerals Limited (“SHH” or the “Company”) completed capital raising of \$1,421,842(before costs) by Rights issue & \$14,218 by Options placement**
- **Directors waive off \$610,000 and accept \$150,000 in shares being a substantial part of the unpaid remuneration for previous years.**
- **Nelson Bay River Iron Project (“NBR”) :**
 - **continues on Care and Maintenance**
 - **DPEMP Guidelines finalised pursuant to application for a new Tasmanian Environmental permit for DSO operations**
 - **Requisite technical studies initiated**
 - **Iron Ore price environment supportive for restart of NBR**
 - **Further steps taken to conserve costs**
 - **Application to rationalise old Tasmanian Environmental Permit to reduce permit fees**
- **Business Development efforts stepped up**

ASX Code SHH

ACN 130 618 683

COMPANY DIRECTORS

Sanjay Loyalka
Director and
Company Secretary

Davide Bosio
Non-Executive
Director

Andy Lau
Non-Executive
Director

Amu Shah
Non-Executive
Director

CONTACT DETAILS

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Shree Minerals Limited completed capital raising during the quarter to raise \$1,421,842 (less costs) by Rights issue & \$14,218 by Options placement. Additionally, reduction in liabilities was achieved by settlement as approved in AGM held during the quarter, wherein the Directors waived off \$610,000 & accepted a part of the unpaid amount in shares for \$150,000. Consequently the “Net Assets” position has improved sizeably, thereby enabling the company in a position to pursue its growth objectives.

The iron ore markets have been gradually re-balancing with no major supply additions in recent years & demand growth (albeit slower) in Asian markets. The only new projects announced by major companies over last 3 to 4 years are for replacement capacity for current mine life depletions. The price environment has been improving lately with reduction in discount for medium grade ores, improvement in lump premiums & premium for material with lower impurities like Low Alumina such as the NBR product as Chinese authorities continue emphasis on environment control. As per company estimates, the current iron ore price environment is supportive for restart of NBR operations. The Company is currently pursuing the new environmental permit prior to making any assessment on restart of operations.

The Company has significantly stepped up efforts towards sourcing and evaluation of new potential opportunities suited for SHH and its shareholders in the resources sector. While the focus to-date has been on development projects, the Company has recently expanded the scope to include exploration (both early stage & advanced) to create shareholder value. As part of that strategy, the Company has conducted detailed technical evaluation on several opportunities during the quarter & continues evaluation on other opportunities and having preliminary discussions with the respective counterparties.

Nelson Bay River Iron Project

NBR project continues in care and maintenance.

Environment monitoring as per approved plans being attended to. These include regular water sampling and fauna camera monitoring. During the quarter annual compliance report for EPBC was completed.

As previously reported in various Company announcements, to resolve the legal issues with old permit, the company submitted an application for a new Tasmanian Environmental permit for DSO operations. EPA advised class of determination & issued for public consultation & comment, draft guidelines for preparation of DPEMP. These Guidelines have now been finalised & issued in Nov 2018. Consequently, we have initiated requisite technical studies as some of the surveys done are now being considered out of date.

In these challenging times, the company continues to place emphasis on steps to contain costs and preserve value. Further steps taken recently include reduction in salaries effective Beginning of FY 2018-19 and the request by the Company to rationalise the old Environmental permit to reduce annual permit fees - e.g.: nature of activity and the regulatory limit being the maximum trucking capacity in view of restriction on the road to use HPV vehicles coupled with permit condition of daylight trucking only.

Tenements

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

<u>Mine Lease/ Exploration License</u>	<u>Locality</u>	<u>Remarks</u>
3M/2011	Nelson Bay River	100% Shree Minerals Ltd

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

NIL

- 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

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.