



# SHREE MINERALS LTD

**Quarterly Report Period ending 31<sup>st</sup> March 2020**

**ASX Announcement**  
30<sup>th</sup> April 2020

## Highlights

ASX Code SHH

ACN 130 618 683

### COMPANY DIRECTORS

Sanjay Loyalka  
Director and  
Company Secretary

Davide Bosio  
Non-Executive  
Director

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### CONTACT DETAILS

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- **Progressed re-permitting of the DSO project at Nelson Bay River Iron Project (“NBR”) as Project Development process**
  - **Revised working Draft DPEMP has been submitted to EPA during the quarter following completion of updated technical modelling & finalisation of various management strategies.**
  - **Iron Ore prices remain robust in current environment.**
  - **Mine in ready state to recommence production at short notice with existing development in place.**
- **Shree Minerals acquires additional area in the Golden Chimney Project.**
  - **The WA Department of Mines, Industry Regulation and Safety has confirmed the grant of the amalgamation application of Prospecting Licence P40/1354 with E40/378.**
  - **P40/1354 surrounds excluded mining lease M40/09 (Lone Hand) which contains old gold workings.**
  - **Production records indicate 358 kg of ore at a grade of 2.08 g/t Au was treated from the gold workings in 1983-1984.**
  - **Geological mapping and rock chip sampling to define new drill targets is recommended at Golden Chimney West, where anomalous soil geochemistry has not been tested by drilling.**
- **Desktop studies conducted over Golden Chimney project to interpret geology & identify further work areas**
- **Business Development efforts continue to identify further opportunities.**

## Nelson Bay River Iron Project

The Nelson Bay River Iron Ore Mine (the mine, NBR or the Project) is located in north-western Tasmania and is owned by Shree Minerals Limited (Shree). The location of the Mining Lease 3M/2011 is shown in Figure 1.



**Figure 1:** Location Plan – NW 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 by extracting, processing (crushing and screening) and shipping the remaining hematite ore. The revised Project will utilise associated infrastructure including the existing WRDs, RoM pad, roads, water and other infrastructure located within the current mine footprint.

The south DSO pit (“SDSO”) was developed in 2013 with production commencement in November 2013 and first shipment in January 2014. The operation has been developed as an all contract mining, processing and haulage operation with local contractors in the region. The iron ore shipments totalled 181,000 tonnes historically. 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 a part of project development process, during the quarter a revised working Draft DPEMP has been submitted to EPA during the quarter following completion of updated technical modelling & finalisation of various management strategies. The Company is targeting to finalise the draft shortly with a view to progress for next stage of approval process.

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 2 shows proposed development.

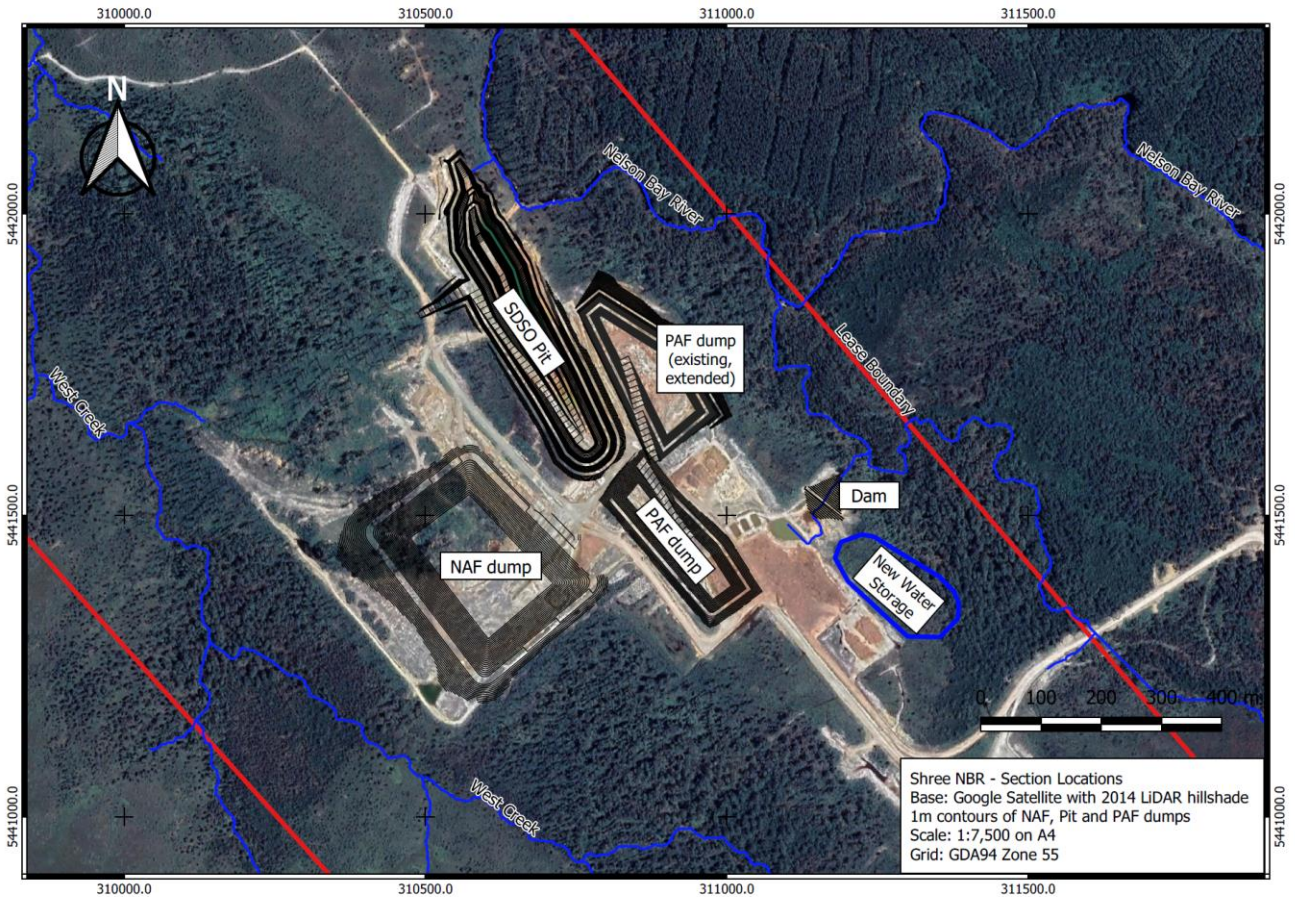


Figure 2: Proposed Development of DSO operations

### GOLDEN CHIMNEY PROJECT

The project is located 40km south of Leonora (Figure 4). 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).

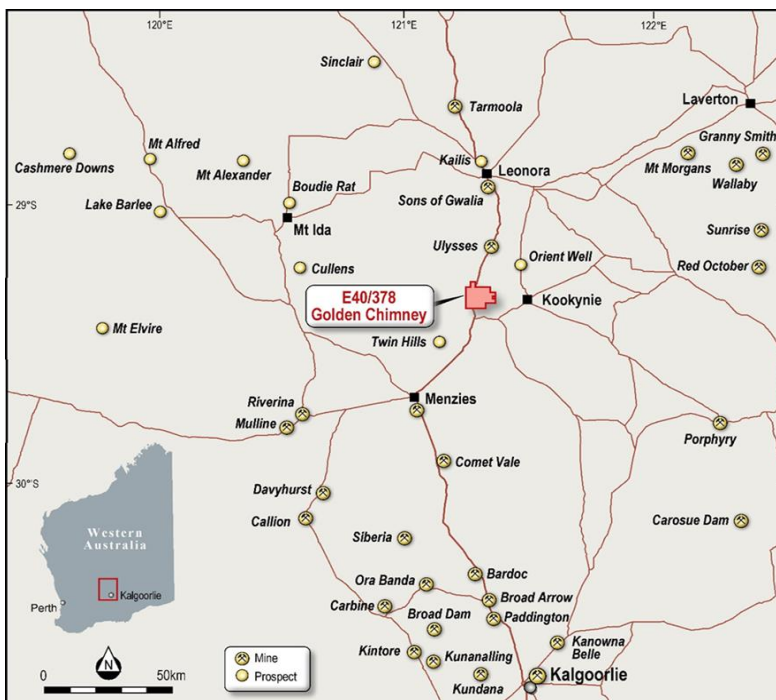
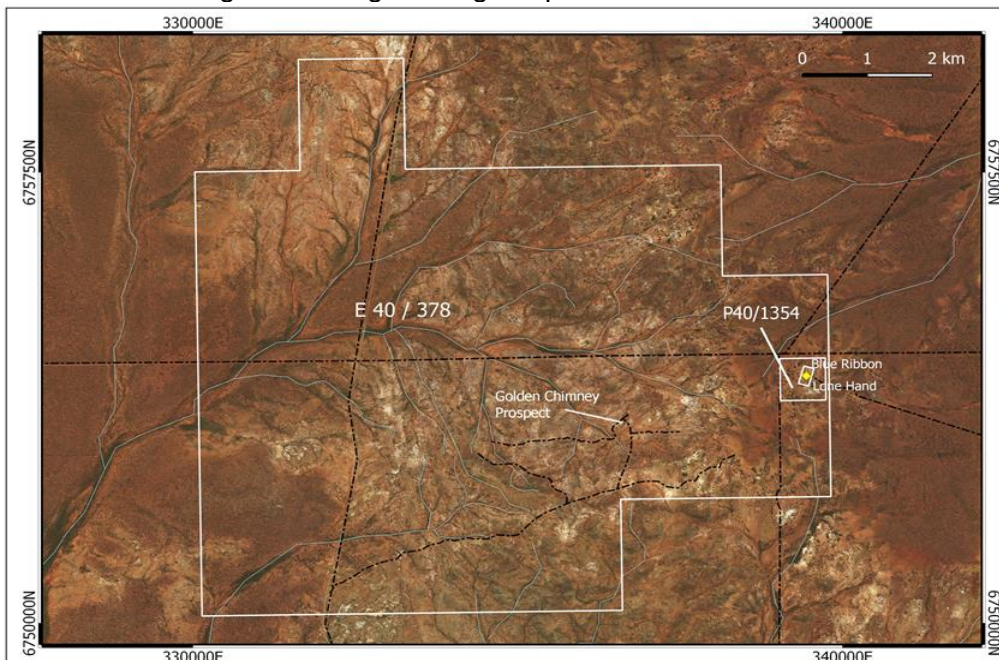


Figure 3. Regional location of the Golden Chimney Project, E40/378.

### Amalgamation of P40/1354 with Golden Chimney Project (E40/378).

Shree Minerals decided to apply for the amalgamation of P40/1354 following its surrender in 2019. The location of the prospecting licence is illustrated in Figure 4. P40/1354 surrounds excluded mining lease M40/09. The tenement shows extensive gold mining activity, as illustrated in Figure 5. Gold production records from the Mines and Mineral Deposits database (MINEDEX) from the WA Department of Mines, Industry Regulation and Safety indicate 358 kgs of ore at a grade of 2.08 g/t Au was treated from both the Lone Hand and the Blue-Ribbon gold workings during the period from 1983-1984.



**Figure 4.** Aerial photo of Shree's Golden Chimney Project, E40/378 and the prospecting licence P40/1354.

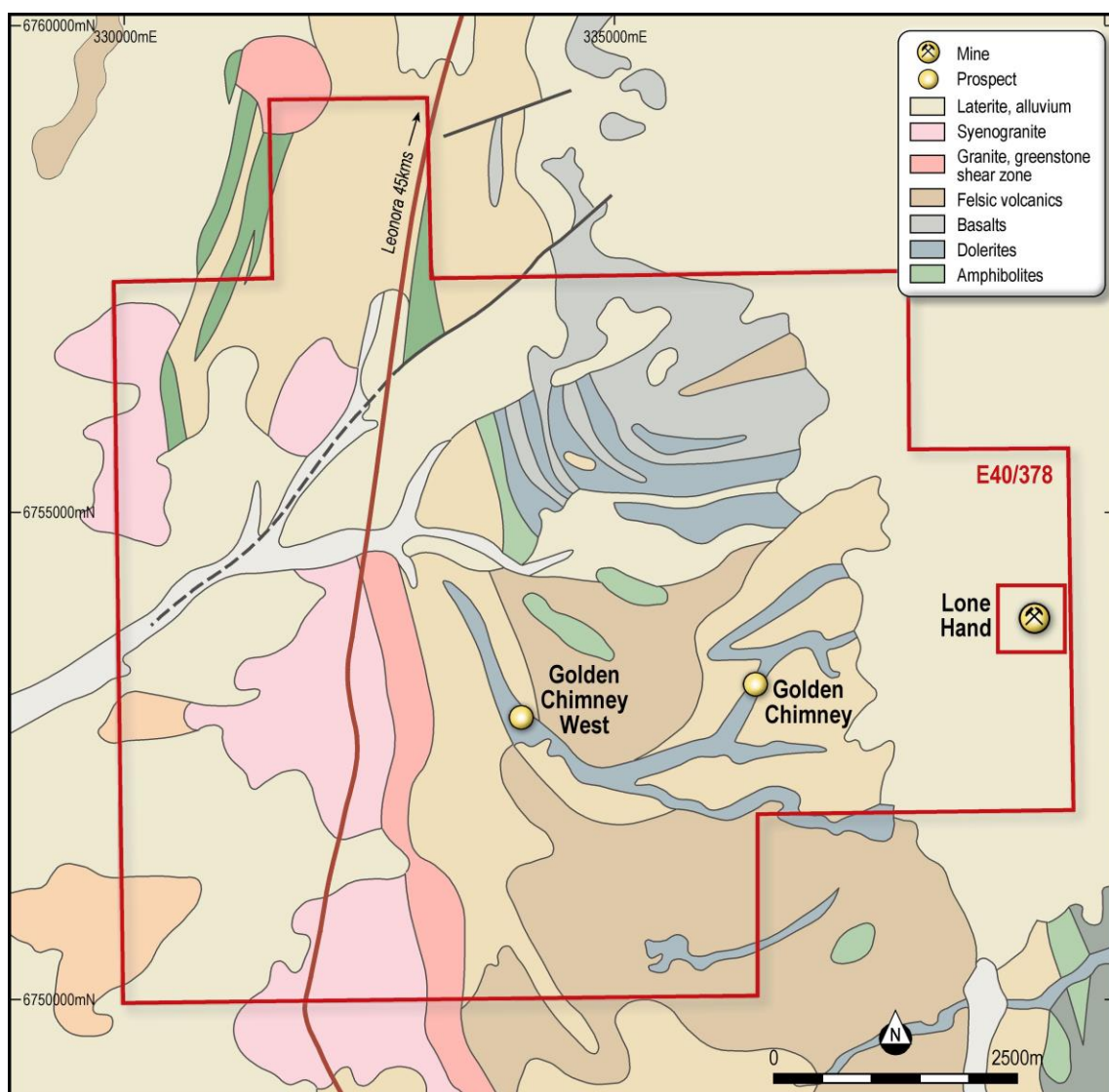


**Figure 5.** Close-up of P40/1354 and the mining lease M40/09. The tenement contains the Lone Hand and Blue-Ribbon gold workings.

The amalgamation of P40/1354 allows Shree Minerals to assess the exploration potential of the area and identify prospective structures that may strike onto Shree's surrounding E40/378 from M40/09. Identification techniques may include geochemical soil and rock chip sampling and geological mapping.

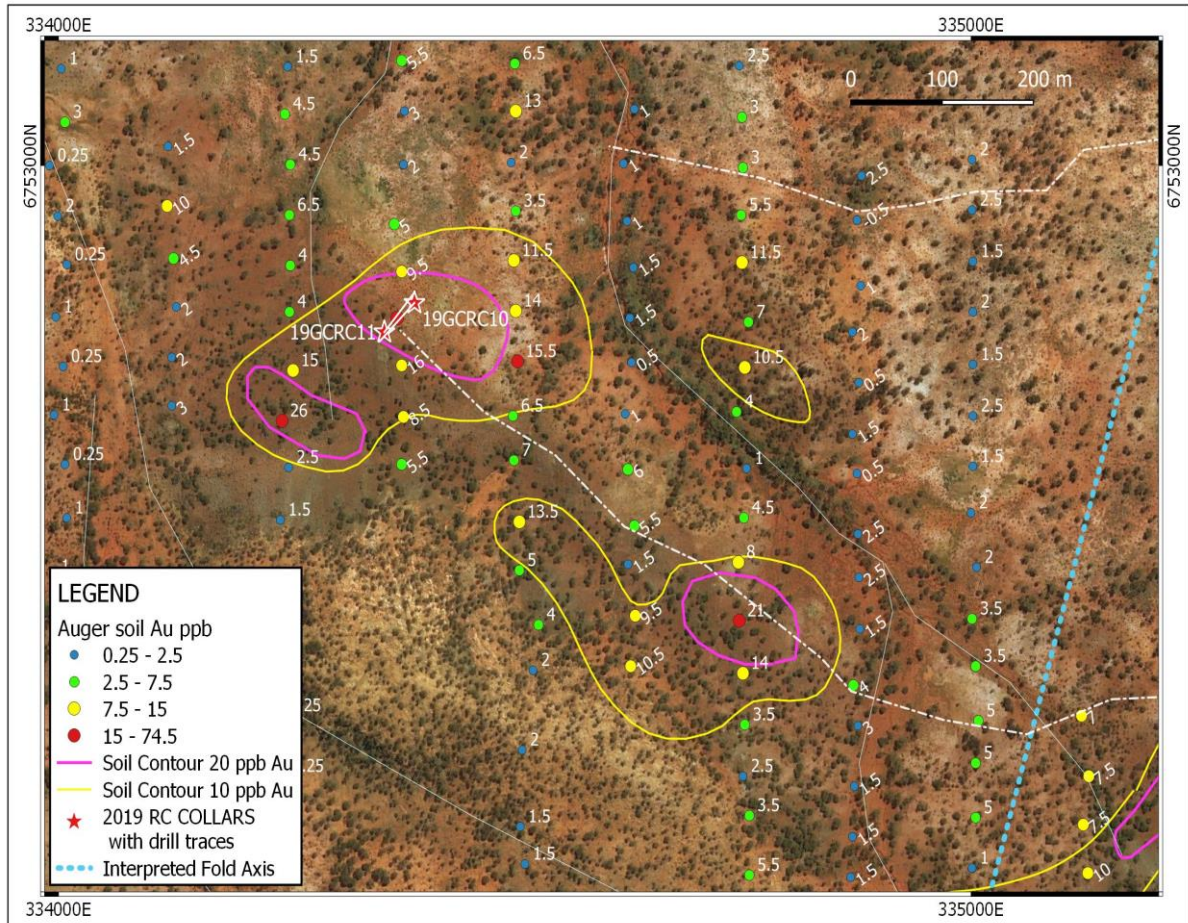
### Golden Chimney West.

During the quarter, desktop studies have been conducted over Golden Chimney project to interpret geology & identify further work areas. Golden Chimney West is located 2.2 kms west of the Golden Chimney Prospect in E40/378, illustrated in Figure 6. An auger soil exploration program completed during the September quarter 2019 (see 2019 September Quarterly Report) generated Au anomalism in several auger holes with grades up to 27 ppb Au. Three separate areas were outlined by the anomalous 20ppb Au geochemical contour (Figure 7). Two RC drill holes (19GCRC010 and 19GCRC011) tested only one of the 20 ppb soil anomalies in November 2019. Holes were drilled to 108m and 100m respectively.



**Figure 6.** Local geology and location of the Golden Chimney West prospect.

Drilling intersected two silicified quartz feldspar porphyries within a suite of dolerites and gabbros. Very fine sulphides (possibly pyrite) were visible within the extremely calcareous porphyries. Drilling assays (4m composite samples) did not exceed 50 ppb Au.



**Figure 7.** Golden Chimney West auger soil geochemistry (ppb Au) on the aerial photo. 2019 RC drill holes are also shown. Two 20 ppb Au soil geochemical anomalies remain to be evaluated.

As there are two soil anomalies, outlined by the 20 ppb Au soil contour, yet to be evaluated by drilling, in Figure 7, further work is recommended at Golden Chimney West. A thin (0.3m) veneer of transported colluvium and alluvium over the area suggests geological mapping and the collection of rock chips is ideally suited to defining new drill targets.

### **Business Development.**

Shree is continuing to identify and assess exploration and early development opportunities throughout Australia. In the current Corona virus affected financial markets, divestment opportunities from cash starved companies are expected to increase.

### **Next Steps.**

The amalgamation of P40/1354 allows Shree Minerals to assess the exploration potential of the area and identify prospective structures that may strike onto Shree's surrounding E40/378 from M40/09. Identification techniques may include geochemical soil and rock chip sampling and geological mapping.

Geological mapping and the collection of rock chips to define new drill targets is recommended at Golden Chimney West, where anomalous soil geochemistry has not been tested by drilling.

## 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.

## Cautionary Statement

- 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

## Tenements

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

<b><u>Mine Lease/ Exploration License</u></b>	<b><u>Locality</u></b>	<b><u>Remarks</u></b>
3M/2011	Nelson Bay River	100% Shree Minerals Ltd
E40/378	Golden Chimney	100% Shree Minerals Ltd

- **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**

Amalgamation of P40/1354 with Golden Chimney Project (E40/378)

- **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 and Gold exploration at its Golden Chimney Project in Western Australia.

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