SHREE

SHREE MINERALS LTD

22nd March 2016

The Manager Companies
Company Announcements
Australian Securities Exchange
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000
Dear Sir

Amended Half Yearly Report and Accounts

Attached herewith is Half Yearly Report and Accounts which have been amended for formatting issues.

Yours sincerely

Sanjay Loyalka
Chairman

SHREE MINERALS LTD, ACN 130618683
Unit 2, The Pines Business Centre,
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SHREE MINERALS LIMITED

ACN 130 618 683

INTERIM FINANCIAL REPORT

FOR THE HALF YEAR ENDED 31 DECEMBER 2015

THIS HALF-YEAR FINANCIAL REPORT IS TO BE READ IN CONJUNCTION WITH THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2015

SHREE MINERALS LIMITED

CORPORATE DIRECTORY

DIRECTORS
Sanjay Loyalka
Amu Shah
Rajesh Bothra
Andy Lau

COMPANY SECRETARY
Sanjay Loyalka

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BANKERS
Commonwealth Bank of Australia
St Georges Tce
Perth WA 6000

SHREE MINERALS LTD

DIRECTORS' REPORT

Your directors present their report on the Company for the half year ended 31 December 2015.

DIRECTORS

The names of the directors in office at any time during or since the end of the year are:
Sanjay Loyalka
Amu Shah
Rajesh Bothra
Andy Lau

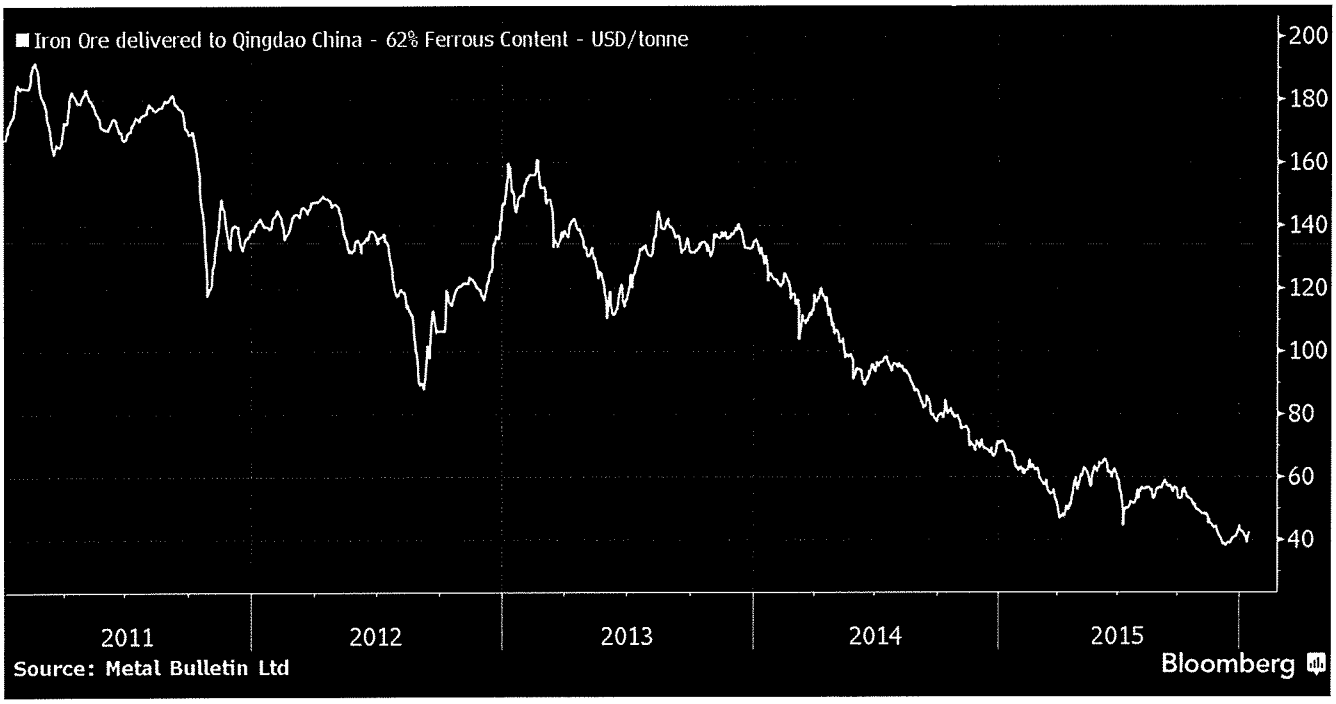
REVIEW OF OPERATIONS AND ACTIVITIES

Highlights

- NBR operations continue under care & maintenance
- Environment monitoring as per approved plans being attended to
- Efforts to conserve cash continues in the current challenging environment
- The estimated C1 costs (US$ per DMT CFR North China) reduced in the current environment to approximately US$ 54 (compared to US$ 88 as at year end June 2014 & US$ 63 at year end June 2015) for company's Iron Ore products (Fines & Lump).
- Business Development opportunities being pursued

Nelson Bay River Iron Ore Project

The Iron Ore market has been facing very difficult trading conditions & the prices have continued to decline during the period.



The company has taken various steps to conserve cash resources & optimise costs.

DIRECTORS' REPORT

Development & Production

During the reporting period, the mining & production figures are as per Table 1.

Table 1

		Year to date period ending 31/12/2015	Year to date period ending 31/12/2014
Waste Stripping	BCM	0	0
Ore Mining	Tonnes	0	0
Ore Crushing & screening	Tonnes	0	0
Sales	Tonnes	0	0

Exploration

Desk top studies & planning for various explorations was carried out during the period.

Tenements

The mining tenements held at the end of the reporting period and their locations are as per Table 2.

Table 2

Mine Lease/ Exploration License	Locality	Remarks
3M/2011	Nelson Bay River	100% Shree Minerals Ltd
EL41/2004	Nelson Bay River	100% Shree Minerals Ltd
EL42/2008	Mt.Sorell	100% Shree Minerals Ltd

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

  NIL

- The beneficial percentage interests held in farm-in or farm-out agreements at the end of the period.

  NIL

- The beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the period.

  NIL

Outlook

The company continues to monitor the situation closely with a view to recommence shipments at an appropriate opportunity from the iron ore inventory in hand initially. Necessary steps are taken to keep operations well positioned should future iron ore prices support a production recommencement decision.

The NBR project is being developed in a phased philosophy with the initial plan to mine the goethitic-hematite resource to export iron ore over the first couple of years at low capital expenditure to be followed by the magnetite resource to produce dense media magnetite (DMM) used for the coal washery industry.

Studies to-date have reflected a stable market and pricing for DMM as an industrial mineral in Eastern Seaboard of Australia with domestic production not being adequate to meet demand resorting to imports, thereby confirming the long-term value potential of the NBR project.

Exploration activities are also planned at Mt. Sorell involving geological mapping, soil sampling, geophysical surveys to define potential drilling targets.

RESULT OF OPERATIONS

The net loss after income tax for the period was $1,261,153 (2014: $688,838). The results were impacted by:

- inventory valuation impairment of $693,599 due to decline in Iron ore prices &
- unrealised foreign exchange loss $80,169 mainly due to valuation of USD liabilities as a consequence of depreciation of AUD against USD

FINANCIAL POSITION

The net assets of the Company are $252,756 as at 31 December 2015 (at 30 June 2015: $1,513,909).

AUDITOR'S DECLARATION

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 5 for the half-year ended 31 December 2015.

Sanjay Loyalka
Chairman

21st March 2016.

Stantons International Audit and Consulting Pty Ltd
trading as
Stantons International
Chartered Accountants and Consultants

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21 March 2016

Board of Directors
Shree Minerals Limited
Unit 2
The Pines Business Centre
88 Forrest Street
Cottesloe, WA 6011

Dear Sirs

RE: SHREE MINERALS LIMITED

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Shree Minerals Limited.

As Audit Director for the review of the financial statements of Shree Minerals Limited for the period ended 31 December 2015, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

(ii) any applicable code of professional conduct in relation to the review.

Yours faithfully

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(Authorised Audit Company)

Samir Tirodkar
Director

SHREE MINERALS LIMITED

STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2015

	Note	31-Dec-15	31-Dec-14
		$	$
Revenue from continuing operations			
Interest		18,525	21,766
Other Income		0	673
Expenses from continuing operations			
Cost of sales including care and maintenance		(224,917)	(420,942)
Impairment of inventory	4	(693,599)	(749,316)
Finance charges		(7,205)	(9,881)
Employee and consulting fees		(218,666)	(108,053)
Regulatory costs		(23,049)	(27,105)
Occupancy and communication		(16,979)	(18,534)
Foreign exchange loss		(80,169)	(238,587)
Accounting and legal Fees		(3,631)	(173,498)
Other expenses		(11,463)	(43,958)
Loss before income tax		(1,261,153)	(1,767,434)
Income tax benefit		0	1,078,596
Loss for the period		(1,261,153)	(688,838)
Other comprehensive income		0	0
Comprehensive loss for the period		(1,261,153)	(688,838)

Earnings per share for (loss) attributable to ordinary equity holders of the company:

Basic & diluted (loss) cents per share		(0.89)	(0.51)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

SHREE MINERALS LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015

	Note	31-Dec-15 $	30-Jun-15 $
Assets			
Current Assets			
Cash and cash equivalents		833,532	1,105,998
Receivables		33,316	245,719
Inventory	4	625,907	1,319,506
Total Current Assets		1,492,755	2,671,223
Non-Current Assets			
Exploration and evaluation	5	298,306	296,947
Mine Development	6	1,583,647	1,583,647
Other Assets		865,590	865,590
Plant and equipment		9,914	40,892
Total Non-Current Assets		2,757,457	2,787,076
Total Assets		4,250,212	5,458,299
Liabilities			
Current Liabilities			
Trade and other payables	10	2,104,823	2,427,755
Loans		8,679	10,071
Provisions	11	3,722	3,722
Total Current Liabilities		2,117,224	2,441,548
Non-Current Liabilities			
Rehabilitation Provision	11	1,499,300	1,499,300
Other Payables	12	380,932	0
Loans		0	3,542
Total Non-Current Liabilities		1,880,232	1,502,842
Total Liabilities		3,997,456	3,944,390
Net Assets		252,756	1,513,909
Equity			
Contributed equity		15,094,311	15,094,311
Reserves		284,587	284,587
Retained profits (losses)		(15,126,142)	(13,864,989)
Total Equity		252,756	1,513,909

The above statement of financial position should be read in conjunction with the accompanying notes.

SHREE MINERALS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 31 DECEMBER 2015

	Note	Issued Capital $	Retained Losses $	Share based option reserve $	Total $
BALANCE AT 1 JULY 2014		13,591,891	(3,171,057)	284,587	10,705,421
Total comprehensive income for the period		0	(688,839)	0	(688,839)
Shares issued during the period		1,623,467	0	0	1,623,467
Capital raising costs		(125,941)	0	0	(125,941)
BALANCE AT 31 December 2014		15,089,417	(3,859,896)	284,587	11,514,108
BALANCE AT 1 JULY 2015		15,094,311	(13,864,989)	284,587	1,513,909
Total comprehensive income for the period		0	(1,261,153)	0	(1,261,153)
Shares issued during the period		0	0	0	0
Capital raising costs		0	0	0	0
BALANCE AT 31 December 2015		15,094,311	(15,126,142)	284,587	252,756

The above statement of changes in equity should be read in conjunction with the accompanying notes.

CASH FLOW STATEMENT FOR THE HALF YEAR ENDED 31 DECEMBER 2015

	Note	31-Dec-15 $	31-Dec-14 $
Cash flows from operating activities			
Sales receipts		(522)	0
Payments to suppliers and employees (inclusive of GST)		(290,082)	(1,899,816)
Interest received		30,616	22,876
Research and Development tax concession		0	1,078,596
Other Income		0	673
Net cash inflow from operating activities		(259,988)	(797,671)
Cash flows from investing activities			
Payment for plant and equipment		(6,185)	0
Proceeds from sale of plant and equipment		0	16,818
Payment for mineral exploration		(1,359)	(12,488)
Payment for security deposits		0	(16,643)
Net cash outflow from investing activities		(7,544)	(12,313)
Cash flows from financing activities			
Proceeds from issues of shares and other equity securities		0	1,623,467
Payments for share issue costs		0	(125,941)
Borrowings		(4,934)	(142,936)
Net cash (outflow) / inflow from financing activities		(4,934)	1,354,590
Net (decrease) increase in cash and cash equivalents		(272,466)	544,606
Cash and cash equivalents at the beginning of the financial period		1,105,998	2,183,998
Cash and cash equivalents at the end of the financial period		833,532	2,728,604
Cash and cash equivalents at the end of the financial period			
Cash at bank & in hand		833,532	2,728,604
Cash and cash equivalents at the end of the financial period		833,532	2,728,604

The above cash flow statement should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to the financial period.

(A) BASIS OF PREPARATION

The half-year financial statements are a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standard AASB 134: Interim Financial Reporting, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board. Compliance with Australian Accounting Standards ensure that the financial statements and notes comply with International Financial Reporting Standards.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2015 and any public announcements made by Shree Minerals Limited during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

The accounting policies have been consistently applied by the Company and are consistent with those in the annual financial report for the year ended 30 June 2015.

The half-year report does not include full disclosures of the type normally included in an annual financial report.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

These financial statements have been prepared on the basis of going concern, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. As a result, the financial report for the half year ended 31 December 2015 does not include any adjustments relating to the recoverability and classification of the recorded asset amounts nor to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

The economic environment in which the Company operates is both difficult and challenging, and the Company has recorded a loss after tax of $1,261,153 for the half year. The net loss after tax includes non-cash items of inventory impairment of $693,599, unrealised foreign exchange loss on off take advance of $80,169 and depreciation & amortisation of property & plant and equipment and other non-current assets of $37,162.

The company continues maintaining a close watch over Iron Markets & prices for an appropriate window to recommence shipments of inventory on hand to enable adjustment of the off-take finance of A$1,684,562 as per Note 10, though proving challenging due to Iron Ore prices. Meanwhile, the company is in regular discussions with its off-take partners in this regard.

The Net assets of the company as at 31 December 2015 are $252,756 due to non-cash charge in the recent periods (financial year ended 30 June 2015 & half year ended 31 December 2015) including:

- provision for impairment of non-current assets of $ 7,557,000 in the financial year ended 30 June 2015 (comprising of Mine Development; and Plant & Equipment at NBR) due to low Iron Ore prices; and
- provision for impairment of inventory of $693,599 in the period to December 31 , 2015 (31st December 2014 $749,316 for a cumulative $1,422,915 to-date) due to low iron Ore prices; and
- Provision of $ 352,596 in the financial year ended 30 June 2015 as notional finance charges for deemed liability on perceived embedded derivative as per accounting standards.

As at 31 December 2015, the Company had cash reserves of $833,532.

The Net Working capital deficit of the company as at 31 December 2015 is ($624,469) due to following:

- provision for impairment of inventory of $693,599 (31st December 2014 $749,316 for a cumulative $1,422,915 to-date) due to low Iron Ore prices; and
- provision of $ 352,596 made in the financial year ended 30 June 2015 as notional finance charges for deemed liability on perceived embedded derivative as per accounting standards; and
- Balance of offtake advance (which is adjustable against shipments of Iron Ore) of $ 1,684,562 as per Note 10 included in current liabilities.

Significant efforts have been made to preserve cash and reduce costs and secure additional finance, however material uncertainties over the future cash flows exist.

The Company continues to engage with its stakeholders and continues to monitor opportunities from interested investors to raise additional equity for the business and the Company's Board of Directors has a long history of fund raising in the public and will do so when required.

In addition, the Company continues to focus efforts on improving liquidity through:

- the implementation of further cost improvement initiatives;
- continuation of voluntary payroll reductions ;and
- Shipment of inventory on hand at an appropriate Iron Ore Price environment.
- Re-commencement of operations at an appropriate Iron Ore Price environment.

The Company also carefully manages discretionary expenditure in line with the Company's cash flow.

The financial report has therefore been prepared on a going concern basis, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business. Should the Company be unable to continue as a going concern, it may be required to realise assets and extinguish liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements.

(B) SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY ESTIMATES

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.
In preparing this half-year's financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation were the same as those that applied to the financial statements for the year ended 30 June 2015.

(C) NEW AND REVISED ACCOUNTING STANDARDS

The Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current reporting period. The Company has not elected to early adopt any other Standards or amendments that are issued but not yet effective. The adoption of all new and revised Standards and Interpretations has not resulted in any changes to the Company's accounting policies and has no effect on the amounts reported for the current or prior periods.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements. The Group has considered the implications of new and amended Accounting Standards but determined that their application to the financial statements is either not relevant or not material.

Reporting Basis and Conventions

The half-year report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

NOTE 2: OPERATING SEGMENTS

The Company operates predominately in one segment involved in mineral exploration and development industry. Geographically, the entity is domiciled and operates in one segment being Australia. In accordance with AASB 8 Operating Segments, a management approach to reporting has been applied. The information presented in the Statement of Comprehensive Income and the Statement of Financial Position reflects the sole operating segment.

NOTE 3: ISSUED CAPITAL

On 31st December 2015, there were 142,184,223 ordinary shares issued. During the half year ended 31st December 2015 no shares were issued.

NOTE 4: INVENTORY

	31 Dec 2015	**30 Jun 2015**
	$	$
Opening balance	1,319,506	2,068,822
Impairment	(693,599)	(749,316)
Closing balance	625,907	1,319,506

Inventory comprises iron ore stocks of 70,740 tonnes of uncrushed ROM stocks, 19,119 tonnes of crushed stock & 3,314 tonnes of stock at Port. These have been valued at Iron Ore 62 Fe Index price of US$ 45 per tonne and estimated price adjustments therein for company's grade of iron ore products & estimated costs to come to net realisable value. The accounting policy in this regard is Crushed Ore at site & port and run of mine ore stockpiles are physically measured or estimated and valued at the lower of cost or net realisable value. Net realisable value is the estimated selling price (in the ordinary course of business assuming sales are made at the end of the reporting period such that applicable price for the next month to coincide with time it reaches customer's discharge port), less estimated costs of completion and costs of selling final product. Cost is determined using the weighted average method and comprises direct purchase costs and an appropriate portion of fixed and variable overhead costs, including depreciation and amortisation, incurred in converting materials into finished goods.

NOTE 5: EXPLORATION EXPENDITURE

	31 Dec 2015	30 Jun 2015
	$	$
Opening balance	296,947	263,640
Exploration capitalised	1,359	33,307
Closing balance	298,306	296,947

NOTE 6: MINE DEVELOPMENT

	31 Dec 2015	30 Jun 2015
	$	$
Opening balance	1,583,647	10,036,165
Impairment Provision	0	(8,420,144)
Mine Development Costs	0	(32,374)
Closing balance	1,583,647	1,583,647

NOTE 7: DIVIDENDS

No dividend has been declared or paid during the half-year ended 31 December 2015.

NOTE 8: CONTINGENT LIABILITIES

Since the last reporting date, there has been no change of any contingent liabilities or contingent assets.

NOTE 9: RELATED PARTIES

There are no related party transactions except for remuneration payments to employees in normal course of business.

To conserve cash resources of the company during the period the operations are under suspension, the directors have voluntarily elected to take reduced drawings of their remuneration & the balance is deferred till the cash flow situation of the company improves. Consequently, as at 31 December 2015, the amount of $328,750 remains outstanding for remuneration & is included in non-current liabilities as payment is not expected within the next 12 months.

NOTE 10: TRADE AND OTHER PAYABLES

	31 Dec 15	30 Jun 15
	$	$
Current		
Trade creditors	21,577	175,913
Other creditors (including deemed finance charge for embedded derivative)	398,684	670,929
Advance (Refer : Note 1 below)	1,684,562	1,571,461
	2,104, 823	2,418,303

Note1: Trade and other payables include an advance received from Singapore based, Frost Global Pte Ltd ("Frost Global"). The Company had in May 2013 entered into an Off-take Agreement for its Nelson Bay River Iron Ore DSO products for 800,000 tonnes with Frost Global. As a part of the agreement, Frost Global will be providing funding of USD$4 million by way of advance towards the supply of Iron Ore to be adjusted by deduction from gross sale proceeds from each of the first 8 shipments (of appx 42,000 tonnes +/- 10%) of Iron Ore to Frost Global. The off-take contract is at normal market terms linked to prevailing index prices at time of each shipment. In addition to advance repayment as above, there is a discount allowed of USD $3 per tonne over the market based sales terms as a consideration of off-take finance. The company has received US $3 million in this regard (in total during the financial years ended 30th June 2013 & 30th June 2014) from Frost Global to-date & has made 3 shipments to Frost Global to-date wherein USD $ 1.125 million has been adjusted to-date. Further voluntary cash repayments totalling USD$0.45 million have been made during the year ended 30 June 2015. Thus the balance of advance against offtake is USD$1.425 million.

Additionally, there is an outstanding Debtors balance of US$ 0.144 million due from Frost Global. Consequently, the net outstanding advance amount from Frost Global of US$ 1.28 million (A$1.68 million) is included under current liabilities.

The balance confirmation for the outstanding Debtors balance of US$ 0.144 million due from Frost Global has not been provided although Frost global have sent confirmation for the balance of advance against offtake at US$1.425 million. Consequently, there is a risk that Frost Global may attempt to dispute the outstanding Debtors balance of US$ 0.144 million even though the company is not aware of any dispute or issue in this regard as at the date of this report.

NOTE 11: PROVISIONS

	31 Dec 2015	30 Jun 2015
	$	$
Current		
Annual leave provision	3,722	3,722
	3,722	3,722

	31 Dec 2015	30 Jun 2015
	$	$
Non-Current		
Rehabilitation Provision	1,499,300	1,499,300

	1,499,300	1,499,300

NOTE 12: OTHER PAYABLES

	31 Dec 2015 $	30 Jun 2015 $
Non-Current		
Voluntary deferred employee payments (i)	328,750	0
Other payables (ii)	52,182	0
	380,932	0

(i) To conserve cash resources of the company during the period the operations are under suspension, the directors have voluntarily elected to take reduced drawings of their remuneration & the balance is deferred till the cash flow situation of the company improves. Consequently, as at 31 December 2015, the amount of $328,750 remains outstanding for remuneration & is included in non-current liabilities as payment is not expected within the next 12 months.

(ii) Tasmanian Government has by a deed , deferred royalties for the period of two years from first production to be repaid in 12 equal quarterly instalments beginning 28 feb 2016 . The instalments which are due after 12 months from the date of this report are shown as non-current.

NOTE 13: EVENTS SUBSEQUENT TO BALANCE DATE

Since balance date there are no items, transactions or events of a material and unusual nature likely, in the opinion of the Directors, to affect significantly, the results of those operations, or the state of affairs of the Company in future financial years.

DIRECTORS' DECLARATION

In the directors' opinion:

(a) the financial statements and notes set out on pages 6 to 15 are in accordance with the Corporations Act 2001, including:

(i) Complying with Accounting Standard AASB134 Interim Financial Reporting, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

(ii) giving a true and fair view of the Company's financial position as at 31st December 2015 and of its performance, as represented by the results of its operations, changes in equity and its cash flows, for the financial period ended on that date; and

(b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.

Sanjay Loyalka
Chairman

Signed at Perth the 21st day of March 2016.

Stantons International Audit and Consulting Pty Ltd
trading as
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Chartered Accountants and Consultants

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF SHREE MINERALS LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Shree Minerals Limited, which comprises the statement of financial position as at 31 December 2015, the statement of profit or loss and other comprehensive income, statement of changes in equity, and statement of cash flows for the half-year ended on that date, condensed notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration for Shree Minerals Limited (the Company).

Directors' Responsibility for the Half-Year Financial Report

The directors of Shree Minerals Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2015 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Shree Minerals Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Whilst we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by the directors or management.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, has been provided to the directors of Shree Minerals Limited on 21 March 2016.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Shree Minerals Limited is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the company's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and Corporations Regulations 2001.

Inherent Uncertainty Regarding Going Concern and the carrying value of Mine Development and Exploration and Evaluation Expenditure

(a) Without qualifying our conclusion, we draw attention to Note 1(A) to the financial statements. The financial statements have been prepared on a going concern basis which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. At 31 December 2015 the entity had a working capital deficiency of $624,469, cash and cash equivalents of $833,532 and had incurred a loss for the period amounting to $1,281,153. The ability of the entity to continue as a going concern is subject to successful recapitalisation of the entity and/or recommencing profitable mining operations. In the event that the Board is not successful in recapitalising the entity and in raising further funds and/or recommencing profitable mining operations, the Company may not be able to realise its assets and discharge is liabilities in the normal course of business and at the amounts stated in the financial report.

(b) The Company has capitalised mining development and exploration and evaluation expenditure of $1,583,647 and $298,306 respectively as at 31 December 2015. The recoverability of the Company's carrying value of capitalised mining development and exploration and evaluation expenditure is dependent on the successful commercial exploitation of the assets and/or sale of the assets to generate funds to at least that of their carrying values. In the event that the Company is not successful in commercial exploitation and/or sale of the assets, the realisable value of the Company's mine development and exploration and evaluation assets may be significantly less than their current carrying values.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)

Stantons International

Samir Tirodkar
Director

West Perth, Western Australia
21 March 2016