

SHREE MINERALS LIMITED

ACN 130 618 683

INTERIM FINANCIAL REPORT

FOR THE HALF YEAR ENDED
31 DECEMBER 2021

SHREE MINERALS LIMITED

CORPORATE DIRECTORY

DIRECTORS

Sanjay Loyalka
Amu Shah
Davide Bosio

COMPANY SECRETARY

Sanjay Loyalka

REGISTERED OFFICE

Unit 38
18 Stirling Highway
Nedlands
WA 6009

AUDITOR

Stantons
Level 2, 40 Kings Park Road
West Perth WA 6005

SHARE REGISTRY

Boardroom Pty Ltd
Level 12, 225 George Street
Sydney NSW 2000

SHREE MINERALS LTD

DIRECTORS' REPORT

Your directors present their report on the Company for the half year ended 31 December 2021.

DIRECTORS

The names of the directors in office at any time during or since the end of the half year are:

Sanjay Loyalka

Amu Shah

Davide Bosio

Martin Bennett (Resigned effective 22nd December 2021)

REVIEW OF OPERATIONS AND ACTIVITIES

Highlights

- Nelson Bay River Iron Project
 - Development application along with Development Proposal & Environment Management Plan ("DPEMP") for the Direct Shipping Ore project at Nelson Bay River Iron Project in Tasmania has been accepted by the Tasmanian Government authorities & advertised for public consultation.
 - Agreement with Tasmanian Railway Pty Ltd for Storage and ship loading of Iron ore via the ship loader and warehouse known as the TasRail Bulk Minerals Export Facility ("BMEF") located at Berth 5, Port of Burnie, Tasmania, Australia.
- Dundas Project
 - Exploration Licence E63/2046 and E63/2048 granted at Dundas Project during the half year. A flora/fauna survey was completed during the half year in preparation of the planned field exploration.
 - Lithium pegmatite potential identified at the Dundas Project (E63/2046). Previous drilling intersected pegmatites that have not been assayed for lithium. Dundas Project is interpreted to possibly be along strike from the Anna Lithium Resource.
- Lachlan Fold Belt Project
 - RC drilling commenced at Rock Lodge (Lachlan Fold Belt Project, NSW) in December 2021 to test coincident geochemical and geophysical targets. The drill rig will be replaced with a rig more suited to the ground conditions in early 2022. Soil sampling at Rock Lodge in NSW reveals a gold mineralised trend with a maximum value of 1.29g/t Au.
 - New Exploration Licence (EL9346) granted in January 2022 in the highly prospective Lachlan Fold Belt. The tenement covers the southwestern extension of anomalous gold in soil geochemistry that contains two gold resources.
- Arunta JV
 - Sale and Purchase Agreement signed with MetalsGrove Mining Ltd over Arunta Joint Venture in January 2022.
 - New ferruginous/gossanous quartz vein was discovered at the Bruce prospect. Rock chip sampling of the vein returned values up to 15.26g/t Au. Desktop studies identify historic pegmatite workings not previously sampled for lithium and rare earths.
 - A technical study at Box Hole (Arunta JV Project, NT) by CSIRO, Australia's national science agency, has been completed.
 - New copper occurrences discovered at Edwards Creek, NT (Arunta JV). Rock chip sampling returns values to 0.8% Cu, 0.82% Pb, 0.35% Zn from siliceous gossan and ironstone. Trial soil sampling program completed along the mineralised trend.
- Kookynie West Project
 - A review of the Kookynie West Project, WA has revealed similarities with the geological setting of mineralisation at the Genesis Metals owned Ulysees Gold Project to the north. In-fill auger soil sampling planned.

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Nelson Bay River Iron Project

Shree Minerals Ltd ("Shree" or the "Company") is pleased to advise that the Circular Head Council ("the Council"), Tasmania has advertised permit application DA 18/059 along with DPEMP for the Direct Shipping Ore ("DSO") project at Nelson Bay River Iron Project ("NBR") for public consultation.

The advertisement by the Council follows advice received from Environment Protection Agency Tasmania (Refer Company's ASX announcement released on 14th October 2021) that the DPEMP has been prepared in accordance with the guidance provided by Board of the Environment Protection Authority ("the Board") under section 74(3) of the Environmental Management and Pollution Control Act 1994 ("EMPC Act") and is taken to be lodged under section 27F(1A).

The Council has subsequently reviewed the Company's permit application DA 18/059 for compliance with the council's relevant planning scheme that has included written advice from the road authority, Parks and Wildlife service etc.

In September, Shree announced another important milestone towards recommencement of the Nelson Bay River Iron Project with the signing of an agreement with Tasmanian Railway Pty Ltd ("TasRail") for Storage and ship loading of Iron ore via the ship loader and warehouse operated by TasRail known as the TasRail Bulk Minerals Export Facility located at Berth 5, Port of Burnie, Burnie, Tasmania, Australia. Shree also welcomes news that TasRail will design and construct a new state of the art ship loader during the term of the agreement. This agreement secures the infrastructure for shipping of Direct Shipping Iron Ore from NBR. The Agreement is subject to terms & conditions including Conditions Precedent typical for a contract of this nature.

The Direct Shipping Ore (DSO) project at NBR is an all-contract mining, processing and haulage operation using local contractors in the region. The ore requires no major processing beyond crushing and screening after which the ore is then trucked to the port and shipped. It was developed in 2013 with the first shipment of ore leaving the Port of Burnie in January 2014. NBR project was placed on care and maintenance in June 2014 following sharp iron ore price falls.

Historical production from the previous mining campaign totalled 181,000 tonnes shipped with average grades of Fe 57.5%, SiO₂ 7.7%, Al₂O₃ 1.3%, P 0.07% and S 0.04%. Demand from historic customers was driven by positive metallurgy, specifically low impurities like alumina (Al₂O₃) and phosphorus (P).

The historic price received for NBR ore was enhanced with premiums (in line with market benchmarks) for

- low Alumina; and
- Lump. (About 40% of the DSO Iron ore at NBR is Lumps with Iron ore Fines being approx. 60%)

Historic costs during FY 2014 when the mine was last in production was approximately AUD \$ 72 per ton FOB Burnie Port (as derived from 2014 Annual Report to Shareholders).

Dundas Project

Shree has compiled a geological database of the structural controls and lithological characteristics of lithium occurrences within the Dundas Goldfield. The largest is the Buldania Lithium Project. It contains a Mineral Resource of 14.9 Mt @ 0.97% Li₂O and 44 ppm Ta₂O₅ and occurs in a greenstone belt within the regionally significant Zuleika Shear. The shear is interpreted to continue through Shree's tenements.

Greenstone belts are commonly hosts to rare-element pegmatites because they are both products of collisional tectonic processes. Rare-element pegmatites form in orogenic hinterlands related to plate convergence⁹. The pegmatites are products of extreme fractional crystallization of some granites, derived from melting of metasedimentary rocks in continental collision zones.

Within Shree's tenement areas, aeromagnetic images display linear features suggestive of Archaean greenstone stratigraphy – mafic, ultramafic or Banded Iron Formation rock types. Pegmatitic intrusions are

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often associated with Archaean greenstone stratigraphy and their presence has been recorded in the historical drilling. Reconnaissance traverses of RAC and RC drilling by Pan Australian Exploration Pty Ltd (PanAust) in the 1990's intersected gold mineralisation associated with the remnant greenstone belts. Many of the holes drilled also intersected pegmatites but these were not the target of the exploration at the time and were not assayed for lithium or lithium pathfinder elements. Their presence has very significant implications for the lithium potential of the region.

Only very limited historical exploration has been carried out in the area due to the thin blanket (usually 0.5m – 10m) of transported cover. One km spaced auger soil traverses undertaken by AngloGold Ashanti Australia (AngloGold) and a localised RAB/RC drilling program by Pan Australian Resources during the 1990's has identified the presence of gold mineralisation hosted by mafic rocks in E63/2046. Reported intersections include:

T4RC03	2m @ 3.5g/t Au from 23m
T4RC04	1m @ 2.1g/t Au from 87m
T4RC0018	1m @ 1.2g/t Au from 53m

Only selected gold in soil anomalies outlined by previous explorers in E63/2046 were drill tested by RC drilling. Within E63/2048, an auger gold in soil anomaly (10 ppb gold contour) extends for over 4 kms and remains untested.

Shree's Dundas Project is 16 km east of Metal Hawk Limited's Breaker Prospect. From 2014 - 2017, shallow dipping high-grade gold was discovered in saprolite at four prospects known as Breaker 1 to Breaker 4. Best intersections include 6m @ 64.0 g/t Au from 50m in 16VKAC044, 4m @ 15.4 g/t Au from 40m in 17VKAC075 and 3m @ 15.3 g/t Au from 28m in 14VKRC015. In fresh rock, gold was also discovered in quartz sulphide veining. Best intersections were 4.4m @ 6.6 g/t Au and 6m @ 6.0 g/t Au. Chalice Gold Mines (ASX: CHN) is funding an aggressive exploration program and can earn 70% by spending \$2.75M over 4.5 years. The Beaker prospect is located within the Albany Fraser Province and, together with other recent discoveries in the province, illustrates the prospectivity of the Dundas area.

In 2011-2012, Ausquest Ltd conducted wide spaced (>800m) reconnaissance RAB and RC drilling in the southern areas of Shree's tenements. Drilling depths varied from 80m to 100m. Ausquest focussed their work on noticeable flexures in the structural fabric of the region, observed in the aeromagnetic images. The drilling reported anomalous Au (up to 4.1 g/t) with associated Cu (up to 0.26%), Zn (0.42%) and Ag (up to 26 g/t). Some intersections are associated with thick downhole (~30m) intervals of anomalous base metal sulphides. Better intersections are listed below:

12DSRC032, 4m @ 1.2 g/t Au from 51m, followed by 1m @ 1.6 g/t Au from 89m (EOH).
11DSRB681, 1m @ 3.7 g/t Au from 29m, 1m @ 13 g/t Ag from 30m.
11DSRC006, 1m @ 2.3 g/t Au from 46m.

The base metal results are considered highly encouraging given the thickness of the intersections, the metal associations and that only limited drill testing was completed on the targets which extend for at least 1km in length based on early RAB drilling.

In December 2021, recently listed Dundas Minerals completed two close-spaced infill gravity surveys (250m spaced lines with 100m spaced gravity stations) across priority Ni and Cu targets. The objective of the survey was to infill the previously completed wider spaced gravity survey that concluded in October 2021, to enable more precise modelling. The exploration model for the 2 prospects is magmatic sulphide mineralisation associated with mafic-ultramafic intrusions, similar to the Nova-Bollinger deposit which is located approximately 150km to the north-north-east.

At Jumbuck, a series of RAB holes drilled by Ausquest Ltd in 2011 intersected up to 0.5% Ni in ultramafic rocks and have highlighted a discrete target area, which is also earmarked for gravity surveys by Dundas Minerals. The prospects discussed above may be spatially related to extensions of the regionally significant Zuleika Shear and the Boulder Lefroy Fault Zone, that may strike through the Dundas Minerals' tenure.

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Lachlan Fold Belt Project

In September 2021, Shree completed a soil sampling program over the northern area containing induced polarisation (IP) chargeability anomalies. Previous drilling within these IP anomalies intersected significant gold mineralisation. The best result from the soil sampling program is 1.29g/t Au₁, 1615ppm As, 208ppm Bi, 240ppm Cu from close to historic workings. The results of the soil sampling program correlate well with the 17 rock chip samples taken in August 2021. A sample of gossanous sediment taken from near several old workings returned a maximum result of 7.3g/t Au with 6049ppm As and 446ppm Bi.

Shree has designed an RC drilling program to test the geochemical gold anomalies generated by the soil sampling and rock chip sampling. The drilling will be conducted on traverses to validate previous drilling and extend the known mineralisation. Drilling will also be conducted to test the southern IP anomaly that is located approximately 1.6km to the south and has not been sampled or drilled previously. It is possible that the gold mineralisation is continuous between the northern and southern IP anomalies. In normal circumstances, soil geochemistry would be used to confirm the continuous mineralisation, but a blanket of basaltic cover will obscure any bedrock response.

Drilling commenced in December, but production rates were unsatisfactory, and it was decided to demobilise the rig late in December.

Historical exploration at Rock Lodge includes work done by Southern Gold NL with Diamond drilling (SGDH01 to SGDH011) in 1985. The holes intersected up to 8m of massive sulphide with recorded grades up to 4.28g/t Au, 35g/t Ag, 0.79% Cu and 13.5% Zinc.

The mineralisation is associated with massive and disseminated pyrite-arsenopyrite-chalcopyrite-sphalerite sulphides and quartz, within host phyllites and sandstone of the Adaminaby group. This is exposed on the surface as a distinct gossan and ironstone. Sulphide mineralisation is associated with silica alteration and minor quartz veining, indicating that a significant volume of mineralising fluid has passed through the rock.

Six RC holes (MYRC001 to MYRC006) were also drilled underneath old workings at Rock Lodge by Alt Resources in 2018. Their drilling also intercepted massive sulphides in four holes. Significant drilling intercepts by Alt Resources included:

- MYRC001, 3m @ 2.1 g/t Au, 3.7 g/t Ag and 174 g/t Bi from 17m and
2m @ 2.7 g/t Au, 11.8 g/t Ag, 300 g/t Bi and 0.48% Cu from 62m.
- MYRC003, 1m @ 5.4 g/t Au, 55.6 g/t Ag, 212 g/t Bi and 0.11% Zn.
- MYRC005, 2m @ 1.6 g/t Au, 9.5 g/t Ag, 903 g/t Bi from 19m and
1m @ 1.4 g/t Au, 375 g/t Ag, 163 g/t Bi, 1.6% Pb from 23m and
1m @ 4.8 g/t Au, 0.48% Pb, 1.46% Zn from 57m.

The Rock Lodge prospect has possible affinities with a class of deposit known as the Intrusion Related Gold System (IRGS). IRGS deposits occur within large hydrothermal systems with potential for large tonnage, low grade (1 – 2 g/t) gold mineralisation in disseminated systems, or higher grades within vein systems. The Kidston Mine in Queensland is an example of an IRGS deposit that to 1990 had a total production of 23.7 Mt @ 2.08 g/t Au.

Characteristic features of IRGS mineralisation include sheeted veins containing gold with elevated bismuth, arsenic, silver, copper, lead and zinc. The systems are commonly geochemically zoned around a central intrusion. They can also have elevated sulphide which can be detected with induced polarisation (resistivity lows). Many of these features are present at Rock Lodge.

The multiple veins at Rock Lodge may represent the upper zone of mineralised system above an intrusion at depth and characterised by bulk tonnage potential. Planned RC drilling will initially target the shallow veins, but pending results, deeper drilling is planned to test for an interpreted source intrusion at depth. Significantly, several Silurian and Devonian aged intrusions have been mapped in the Rock Lodge area by the NSW Geological Survey.

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In January 2022, the Company was granted a new exploration licence (Exploration Licence 9346) "Oak Hill" in the Southern Lachlan Fold Belt. It is also prospective for gold. The Oak Hill (EL 9346) tenement is located 20km northwest of the town of Albury in southern New South Wales. The new tenement covers an area of approximately 25 km sq.

The tenement abuts Aureus Mining's EL7544 on its eastern side. The Aureus web site describes the Albury Gold Project as containing the Stoney Park and Elm Park gold prospects. They have a combined JORC Mineral Resource of 154koz Au:

Stoney Park - 0.86Mt, Au 2.75g/t, 72,000oz Au, 2.32g/t Ag, 61,000oz Ag
Elm Park -2.31Mt, 1.43g/t, 82,000oz Au, 1.01g/t Ag, 63,000oz Ag

EL 9346 (Oak Hill) covers Ordovician metasediments and phyllites that are intruded to the east by the Devonian Jindera Granite. Gold mineralisation at Elm Park and Stoney Park is hosted by a northeast trending fault that is clearly visible in aeromagnetic images. The fault is possibly related to displacement on the contact between the granite and the sediments. A line of workings on EL7544 are aligned along the fault and drilling has identified thin steeply dipping quartz veins with a strike length of 2.24 km. The northeast trending magnetic lineament extends on to Shree's EL 9346.

Soil sample data available on the NSW Open file Minview web site reveals that the fault has a coincident gold in soil anomaly on ELA9346. Soil geochemistry is clearly applicable to the area, with both the Elm Park and Stoney Park deposits highlighted by the contours. Based on the 15ppb Au contour the anomaly extends 400m by 200m into Shree's tenement and is centred on a peak value of 180ppb Au (0.18g/t Au).

Shree considers the extension of the anomalous soil geochemistry into EL9346 as a significant opportunity to discover economic gold mineralisation.

Arunta JV

In January 2022, the Company has executed a Sale and Purchase Agreement (SPA) with MetalsGrove Mining Ltd (MGM) for the divestment of its rights, title and interest in the farm-in and joint venture and shareholder agreement (JV Agreement) (Arunta Joint Venture) with Territory Lithium Pty Ltd.

In November 2021, Shree announced the discovery of a new gold mineralised quartz vein at the Bruce prospect that forms part of the Arunta Joint Venture in the Northern Territory. Geological mapping and prospecting in the area surrounding the original quartz veins and historic workings at the Bruce prospect has located a new ferruginous and partially gossanous quartz vein approximately 700m to the south. The quartz vein is a shallow north dipping thrust and strikes east-west similar to other veins in the area. The vein is 1-2m wide and extends for ~600m, possibly linking with a previously discovered quartz vein further to the east, giving a total strike length of 2.1km.

Rock chip sampling of an exposed 300m section of the quartz vein returned values up to 7.24g/t Au, however, the sample results show a large range suggesting that the gold has an uneven distribution in the vein ('nuggety gold'). A selected sample of ferruginous quartz from a possible extension of the vein 1.4km to the east assayed 15.26g/t Au.

An interpretation of aerial photo images has revealed additional areas of quartz veins located 6km to the southeast of the Bruce prospect. These veins have not been visited or sampled by Shree or previous exploration companies. Rock chip sampling and mapping will be conducted during the next site visit.

Desktop studies have revealed that EL31225 also contains groups of historic workings that were targeting coarse flake mica from pegmatite veins e.g., Millers Mica and Arcadia Mica. The pegmatites have not been assayed for lithium or rare earth elements (REE) in the past but following increased investor sentiment in

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battery metals and the recent increase in the lithium price a selection of the numerous old workings will be sampled and analysed.

Shree signed a research agreement with CSIRO, the Australian national science agency, in July 2021 to assist with exploration targeting at the Box Hole Project, near Harts Range in the Northern Territory. The results of the technical study were reported in November 2021.

The study aimed to evaluate and re-process existing geophysical, lithological and geochemical data as the basis for building a 3D model of the prospect and improving understanding of the setting of the lead-zinc mineralisation. Geological and geophysical layers formed the basis of the 3D model.

The main outcomes from the study are as follows:

- Lead-zinc mineralisation occurs in two strata bound horizons within a 40m thick interval within interbedded shale, sandstone and siltstone, or near the contact within the overlying dolostone.
- The mineralisation is widespread across the tenement, but grade is variable both laterally and vertically.
- Pervasive barite and manganese alteration extends up to 10m from the strata bound mineralisation.
- Mineralisation in the southern area is more structurally complex but is also higher grade, possibly indicating proximity to feeder structures.
- The lead-zinc mineralisation is strata bound within favourable lithological units, however, on a prospect scale the mineralisation shows a striking linear trend. This could indicate an underlying structural control such as coincidence with a feeder fault zone.

The outcrop lithology comprises of dolostone, sandy dolostone, sandstone and regolith. The contact between sandstone and dolostone is gradual with increasing sandy dolostone to dolostone beds with younging. In outcrop, the mineralised zone occurs within the interbedded silicified sandy dolostone and stromatolitic dolostone. Cubes of galena and disseminated sphalerite in association with barite is the most common type of mineralisation, while galena veins were reported at the southern end.

A reconnaissance trip to the Edwards Creek tenement has confirmed both the presence of copper and base metal occurrences at the Edwards Creek gossan and the extensions of occurrences to the north and south within the folded sequence of felsic and mafic granulite, marble, calcsilicate and amphibolite. Copper mineralisation is most evident within the siliceous gossan where it forms green malachite coatings on rockfaces. Lead-zinc mineralisation in the form of white oxide coatings on rocks occurs along strike to the north within carbonate rocks.

The new copper occurrences discovered ~750m to the east of the main gossan comprise coarse ironstone with malachite staining within a poorly exposed horizon ~1m wide. The ironstone horizon is exposed intermittently for over 200m and trends in a north-easterly direction (Figure 3). This new occurrence has not been reported by previous exploration companies who focussed exploration work on the area around the main gossan.

The trend of the mineralised ironstone does not fit with previous mapping and interpretations of the geology conducted in 1985. The new copper occurrences suggest the structural setting may be more complex than previously thought.

Kookynie West Project

A review of the geological, geophysical and geochemical data sets covering the Kookynie West project (Tenements E40/384 "Ulysses South" and E40/378 "Golden Chimney") revealed similarities between the

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geological setting of mineralisation at Genesis Metals Ulysees Gold project and the geological setting at the Kookynie West project.

Shree's Ulysses South project is immediately south of Genesis Minerals Ltd's Ulysses Project that has a reported total Mineral Resource of 27.3Mt @ 1.8g/t gold for 1,608,000Moz Au.

Gold mineralisation at the Genesis Minerals Ltd's (ASX: GMD) Ulysses Gold Project is hosted by granophyric (quartz-dolerite) units within several differentiated dolerites. The competent granophyre units contain gold where they are intersected by northwest trending, northeast dipping shears. The style of mineralisation has similarity to the Mt. Charlotte gold deposit in Kalgoorlie.

Many of the lithological and structural features that control mineralisation at Ulysses are repeated within Shree's Ulysses South project. Interpretation of the aeromagnetic images shows dolerite dykes extending into the eastern side of the tenement where they are cut by northwest trending faults that extend from the north near the Ulysses resource. On the western half of the tenement the magnetic trends become less distinct because of alluvial cover but the area is considered equally prospective.

The Golden Chimney tenement is located ~5km south of the Ulysses South tenement. There are significant lithological and structural features that exist between the Ulysses Gold Project, Ulysses South and Golden Chimney. For example, multiple differentiated dolerite dykes have intruded into the felsic volcanic and basalt sequence. These dykes were subsequently folded into a broad syncline about a common fold axis. The dolerites have been cut by northwest trending faults generating target zones similar to those at Ulysses.

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.

The Company confirms that it is not aware of any new information or data that materially affects the information in the original reports, and that the form and context in which the Competent Person's findings are presented have not been materially modified from the original reports.

Where the Company refers to the Mineral Resources in this report (referencing previous releases made to the ASX), it confirms that it is not aware of any new information or data that materially affects the information included in that announcement and all material assumptions and technical parameters underpinning the Mineral Resource estimate with that announcement continue to apply and have not materially changed.

Cautionary Statement

- The Exploration Results for Dundas, Lachlan Fold Belt Project (Turondale, Rock Lodge, Oak Hill & Price of Wales), Arunta JV (Box Hole, Edwards Creek & Bruce Gold) and Kookynie West Projects (Golden Chimney and Ulysses South Gold) Projects have been reported by former owners;
- The source and date of the Exploration Results reported by the former owners have been referenced in the company's previous announcements to ASX including Quarterly activity report dated 29/10/2020 and 28/01/2022;
- The historical Exploration Results have not been reported in accordance with the JORC Code 2012;

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- 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;
- A summary of the work programs on which the Exploration Results quoted in this announcement are included as Appendices in the company's previous announcements to ASX;
- There are no more recent Exploration Results or data relevant to the understanding of the Exploration Results;
- An assessment of the additional exploration or evaluation work that is required to report the Exploration Results in accordance with JORC Code 2012 will be undertaken and will be funded by the Company.

CORPORATE

Business Development

Shree is continuing to identify and assess exploration and development opportunities throughout Australia.

Tenements

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

<u>Mine Lease/ Exploration License</u>		<u>Locality</u>	<u>Remarks</u>
3M/2011	ML	Nelson Bay River	100% Shree Minerals Ltd
E40/378	EL	Golden Chimney	100% Shree Minerals Ltd
E40/384	EL	Ulysses South	100% Shree Minerals Ltd
E63/2046	EL	Dundas	100% Shree Minerals Ltd
E63/2048	EL	Dundas	100% Shree Minerals Ltd
E63/2136	ELA	Dundas	100% Shree Minerals Ltd
EL9017	EL	Turondale	100% Shree Minerals Ltd
EL9155	EL	Rock Lodge	100% Shree Minerals Ltd
EL9310	EL	Prince of Wales	100% Shree Minerals Ltd
EL9346 (formerly ELA 6368)	EL	Oak Hill	100% Shree Minerals Ltd; Granted in January 2022
EL31225	EL	Bruce Project	Part of Arunta Joint Venture
EL 32420	EL	Edwards Creek	Part of Arunta Joint Venture
EL 32419	EL	Box Hole	Part of Arunta Joint Venture
E38/3677	ELA	Laverton	100% Shree Minerals Ltd
E38/3679	ELA	Laverton	100% Shree Minerals Ltd
E38/3697	ELA	Laverton Sth	100% Shree Minerals Ltd
E38/3698	ELA	Laverton Sth	100% Shree Minerals Ltd

Note: ML= Mining Lease; EL = Exploration Licence; ELA= Exploration Licence Application.

- **The mining tenement interests relinquished during the period and their location**

Exploration Licence at Hale River Project, Northern Territory relinquished, EL 32785

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

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Exploration Licence applications EL63/2136 , E38/3766, E38/3679, E38/3697, E38/3697
Exploration Licence application ELA6368 (Granted in January 2022 as EL 9346)
Exploration Licence EL 9310 (formerly ELA 6297) granted in October 2021.

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

80.2% in the Arunta Joint Venture

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

80.2% in the Arunta Joint Venture

* The Company has a farm-in and joint venture agreement (Arunta Joint Venture whose principal terms include:

- SHH can earn a 50% equity interest in the Joint Venture through the total expenditure of \$50,000.
- Once SHH has earned a 50% equity interest, further Joint Venture expenditure contributions will be pro-rata, or else a non-contributing party's equity will be diluted using the standard industry dilution formula.
- If SHH were doing sole expenditure, its share of equity in the Joint Venture would increase to 90% by it making a total expenditure of \$450,000.
- Should a party's equity in the Joint Venture fall to 10%, its share will be automatically acquired by the other party in exchange for a 1% NSR Royalty.
- SHH will manage the Joint Venture during the earn-in stage, and while ever it holds majority equity.

Outlook

The Company looks forward to obtaining all statutory approvals to enable it to consider a decision for restart of NBR operations.

The Company has built up an exciting portfolio of Exploration projects. These projects have not benefited from modern exploration techniques, in an emerging area which has an established reputation as a world-class mineral province. The Company remains committed to driving value for Shareholders as it continues to progress exploration on these projects.

SUBSEQUENT EVENTS

Since balance date, the Company has:

- has executed a Sale and Purchase Agreement (SPA) with MetalsGrove Mining Ltd (MGM) for the divestment of its rights, title and interest in the farm-in and joint venture and shareholder agreement (JV Agreement) (Arunta Joint Venture) with Territory Lithium Pty Ltd.
In consideration for the acquisition of SHH's rights, title and interest in the Arunta Joint Venture, MGM will make a cash payment of \$50,000 to SHH and issue to SHH 4,750,000 fully paid ordinary shares (MGM Shares) in the capital of MGM at a deemed issue price of \$0.20 each.
The SPA is subject to conditions precedent, including MGM being satisfied with its due diligence investigations, conditional approval being obtained from the Australian Securities Exchange (ASX) to admit the securities of MGM to trading on the official list of the ASX and necessary regulatory approvals or waivers pursuant to the ASX Listing Rules, Corporations Act 2001 or any other law to allow the Parties to lawfully complete the matters set out in the SPA.
- In January 2022, the Company was granted a new exploration licence (Exploration Licence 9346) "Oak Hill" in the Southern Lachlan Fold Belt that is prospective for gold. The Oak Hill (EL 9346) tenement is

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located 20km northwest of the town of Albury in southern New South Wales. The new tenement covers an area of approximately 25 km sq.

There are no other 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.

RESULT OF OPERATIONS

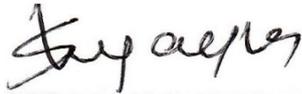
The net loss for the period was \$312,931 (31 December 2020: \$659,637).

FINANCIAL POSITION

The net assets of the Company are \$ 4,239,735 as at 31 December 2021 (30 June 2021: \$4,552,666).

AUDITOR'S DECLARATION

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 12 for the half-year ended 31 December 2021.



Sanjay Loyalka
Director & Company Secretary

10th March 2022.



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10 March 2022

Board of Directors
Shree Minerals Limited
Unit 38
18 Stirling Highway
Nedlands WA 6009

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 half-year ended 31 December 2021, 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
(An Authorised Audit Company)

Martin Michalik
Director



SHREE MINERALS LTD

STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	Note	31-Dec-21	31-Dec-20
		\$	\$
Revenue from continuing operations			
Interest		1,661	8,525
Government Grants		-	20,102
Miscellaneous Income		29,887	-
Expenses from continuing operations			
Care and maintenance		(45,889)	(39,604)
Depreciation Expense		(5,633)	-
Finance charges		(6,638)	(10,605)
Employee and consulting fees (incl valuation of Directors Options)		(209,661)	(475,261)
Regulatory costs		(26,087)	(23,347)
Occupancy and communication		(1,372)	(6,113)
Foreign exchange gain / (loss)		3	(363)
Accounting and legal Fees		(25,295)	(14,955)
Prov for impairment of mine development		-	(81,149)
Other expenses		(23,907)	(36,867)
Loss before income tax		(312,931)	(659,637)
Income tax benefit		-	-
Loss for the period		(312,931)	(659,637)
Other comprehensive income		-	-
Total Comprehensive loss for the period		(312,931)	(659,637)
(Loss) per share for attributable to ordinary equity holders of the company:			
Basic (loss) cents per share		(0.03)	(0.09)
Diluted (loss) cents per share		(0.03)	(0.09)

There are no potential ordinary shares that are dilutive, therefore not included in the calculation of diluted loss per share.

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 2021

	Note	31-Dec-21 \$	30-Jun-21 \$
Assets			
<i>Current Assets</i>			
Cash and cash equivalents		3,157,034	3,922,549
Receivables		11,985	35,030
Prepayments		26,504	26,696
Total Current Assets		3,195,523	3,984,275
<i>Non-Current Assets</i>			
Exploration and evaluation		928,479	617,063
Mine Development		135,614	-
Lease Right of Use		10,840	15,485
Other Assets	4	838,700	838,700
Plant and equipment		7,627	8,615
Total Non-Current Assets		1,921,260	1,479,863
Total Assets		5,116,783	5,464,138
Liabilities			
<i>Current Liabilities</i>			
Trade and other payables	8	37,577	65,319
Lease Liability		12,106	9,918
Provisions		365	2,202
Total Current Liabilities		50,048	77,439
<i>Non-Current Liabilities</i>			
Lease Liability		-	7,033
Rehabilitation Provision	4	827,000	827,000
Total Non-Current Liabilities		827,000	834,033
Total Liabilities		877,048	911,472
Net Assets		4,239,735	4,552,666
Equity			
Contributed equity		23,062,121	23,062,121
Reserves		1,015,858	1,015,858
Retained (losses)		(19,838,244)	(19,525,313)
Total Equity		4,239,735	4,552,666

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 2021

	Note	Issued Capital \$	Retained Losses \$	Share based option reserve \$	Total \$
BALANCE AT 1 JULY 2020		19,049,690	(18,502,992)	654,446	1,201,144
Total comprehensive loss for the period		-	(659,637)	-	(659,637)
Shares issued during the half year		1,209,000	-	-	1,209,000
Options issued during the half year		-	-	361,412	361,412
Capital raising costs		(62,563)	-	-	(62,563)
BALANCE AT 31 DECEMBER 2020		20,196,127	(19,162,629)	1,015,858	2,049,356
BALANCE AT 1 JULY 2021		23,062,121	(19,525,313)	1,015,858	4,552,666
Total comprehensive loss for the period		-	(312,931)	-	(312,931)
Shares issued during the year		-	-	-	-
Options issued during the year		-	-	-	-
Capital raising costs		-	-	-	-
BALANCE AT 31 DECEMBER 2021		23,062,121	(19,838,244)	1,015,858	4,239,735

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

SHREE MINERALS LIMITED

CASH FLOW STATEMENT FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	Note	31-Dec-21 \$	31-Dec-20 \$
Cash flows from operating activities (including exploration)			
Payments to suppliers and employees (inclusive of GST)		(351,164)	(232,460)
Interest received		1,661	13,160
Other Income		-	20,102
Net cash inflow from operating activities (including exploration)		<u>(349,503)</u>	<u>(199,198)</u>
Cash flows from investing activities			
Payment for plant and equipment		-	-
Increase in Bank Term Deposit		-	(850,000)
Payment for mineral exploration		(275,553)	(151,403)
Payment for mine development		(135,614)	(69,079)
Net cash outflow from investing activities		<u>(411,167)</u>	<u>(1,070,482)</u>
Cash flows from financing activities			
Proceeds from issues of shares and other equity securities		-	1,200,000
Repayment of lease liability		(4,845)	(5,066)
Payments for share issue costs		-	(62,563)
Net cash (outflow) / inflow from financing activities		<u>(4,845)</u>	<u>1,132,371</u>
Net (decrease) increase in cash and cash equivalents		(765,515)	(137,309)
Cash and cash equivalents at the beginning of the financial period		<u>3,922,549</u>	<u>854,153</u>
Cash and cash equivalents at the end of the financial period		<u>3,157,034</u>	<u>716,844</u>

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

SHREE MINERALS LIMITED

CONDENSED 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 Standard ensures compliance with International Financial Reporting Standards IAS 34 Interim Financial Reporting.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2021 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 2021, except as noted below.

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

The half-year financial report is prepared on the accrual basis and historical basis, modified where applicable by the measurement of fair value of selected financial assets and financial liabilities. The financial statements are presented in Australian dollars and all values are rounded to the nearest dollar unless otherwise stated.

The financial statements were authorised for issue by the Board of Directors on 8th March 2022.

Going Concern:

As at 31 December 2021, the Company had cash reserves of \$ 3,157,034.

Significant efforts have been made to preserve cash and reduce costs and secure additional finance.

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.

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 2021.

SHREE MINERALS LIMITED

CONDENSED NOTES TO THE FINANCIAL STATEMENTS

(C) NEW AND REVISED ACCOUNTING STANDARDS

The Company has adopted all the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

NOTE 2: OPERATING SEGMENTS

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

NOTE 3: ISSUED CAPITAL AND OPTION BASED RESERVES

As at 31 December 2021, there were 1,063,236,892 (30th June 2021: 1,063,236,892) fully paid ordinary shares issued and 62,500,000 (30th June 2021: 62,500,000) options exercisable as following:

- 30,000,000 options exercisable at a price of \$0.01 each with an expiry date of 30th November 2023
- 32,500,000 options exercisable at a price of \$0.012 each with an expiry date of 30th November 2024

NOTE 4: OTHER ASSETS AND REHABILITATION PROVISION

Other assets related to deposits supporting guarantees as follows:

	31 Dec 2021	30 June 2021
	\$	\$
Security Bonds to Mineral Resources Tasmania	827,000	827,000
Forestry Tasmania	10,000	10,000
Office Lease	1,700	1,700
	<u>838,700</u>	<u>838,700</u>

Rehabilitation provision of \$827,000 is recognised on the basis of amount of security bonds given to Mineral Resources Tasmania.

NOTE 5: DIVIDENDS

No dividend has been declared or paid during the half-year ended 31 December 2021 (31 December 2020: NIL).

NOTE 6: CONTINGENT LIABILITIES

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

SHREE MINERALS LIMITED

CONDENSED NOTES TO THE FINANCIAL STATEMENTS

NOTE 7: RELATED PARTIES

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

NOTE 8: TRADE AND OTHER PAYABLES

	31 Dec 2021	30 June 2021
	\$	\$
<i>Current</i>		
Trade creditors and accruals	16,151	26,269
Other payables	21,426	39,050
	37,577	65,319

NOTE 9: EVENTS SUBSEQUENT TO BALANCE DATE

Since balance date, the Company has:

- has executed a Sale and Purchase Agreement (SPA) with MetalsGrove Mining Ltd (MGM) for the divestment of its rights, title and interest in the farm-in and joint venture and shareholder agreement (JV Agreement) (Arunta Joint Venture) with Territory Lithium Pty Ltd.
In consideration for the acquisition of SHH’s rights, title and interest in the Arunta Joint Venture, MGM will make a cash payment of \$50,000 to SHH and issue to SHH 4,750,000 fully paid ordinary shares (MGM Shares) in the capital of MGM at a deemed issue price of \$0.20 each.
The SPA is subject to conditions precedent, including MGM being satisfied with its due diligence investigations, conditional approval being obtained from the Australian Securities Exchange (ASX) to admit the securities of MGM to trading on the official list of the ASX and necessary regulatory approvals or waivers pursuant to the ASX Listing Rules, Corporations Act 2001 or any other law to allow the Parties to lawfully complete the matters set out in the SPA.
- In January 2022, the Company was granted a new exploration licence (Exploration Licence 9346) “Oak Hill” in the Southern Lachlan Fold Belt that is prospective for gold. The Oak Hill (EL 9346) tenement is located 20km northwest of the town of Albury in southern New South Wales. The new tenement covers an area of approximately 25 km sq.

There are no other 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.

SHREE MINERALS LIMITED

DIRECTORS' DECLARATION

In the directors' opinion:

(a) the financial statements and notes set out on pages 13 to 19 are in accordance with the Corporations Act 2001, including:

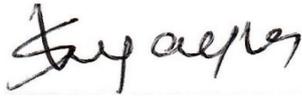
(i) Complying with Australian Accounting Standard AASB 134 Interim Financial Reporting, the Corporations Act 2001 and other mandatory professional reporting requirements; and

(ii) giving a true and fair view of the Company's financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and

(iii) complying with International Financial Reporting Standards as disclosed in Note 1.

(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 made pursuant to Section 295(5)(a) of the Corporations Act 2001.



Sanjay Loyalka
Director

Signed at Perth the 10th day of March 2022.

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

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Shree Minerals Limited, which comprises the statement of financial position as at 31 December 2021, 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.

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

- (a) giving a true and fair view of Shree Minerals Limited's financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* has been given to the directors of the Company on 10 March 2022.

Responsibility of the Directors for the 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 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 gives a true and fair view and is free from material misstatement, whether due to fraud or error.



Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether 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 2021 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*.

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.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(An Authorised Audit Company)

Stantons International Audit & Consulting Pty Ltd

A handwritten signature in blue ink that reads "Martin Michalik".

Martin Michalik
Director

West Perth, Western Australia
10 March 2022