



SHREE MINERALS LTD

EXPLORATION LICENCE GRANTED AT ROCK LODGE PROJECT IN THE LACHLAN FOLD BELT, NSW.

ASX Announcement
14 May 2021.

ASX Code SHH

ACN 130 618 683

COMPANY DIRECTORS

Sanjay Loyalka
Director and Company Secretary

Martin Bennett
Technical Director

Amu Shah
Non-Executive Director

Davide Bosio
Non-Executive Director

CONTACT DETAILS

Principal & Registered Office
Unit 38
18 Stirling Highway
NEDLANDS WA 6009

www.shreeminerals.com

T +61 8 61181672

- The Rock Lodge Exploration Licence, EL9155 (formerly ELA 6147) has been granted.
- The tenement covers the historic Rock Lodge gold and base metal workings near Cooma in NSW.
- RC drilling, rock sampling and ground geophysics by previous companies returned encouraging results that indicate potential below and along strike of the historic gold workings.
- Previous drill results include up to **5.36 g/t Au, 55.6 g/t Ag, 0.12% Bi, 0.8% Cu and 1.46% Zn** and are associated with structurally controlled massive sulphide veins.
- A desk top study has revealed two strong IP anomalies that remain untested.
- Geochemical and geophysical surveys are planned to identify and prioritise targets for further work, including drilling.

Shree Minerals Ltd ("Shree" or the "Company") is pleased to announce that the Exploration Licence Application over the historic Rock Lodge gold workings near Cooma in the Lachlan Fold Belt, NSW (Figure 1) has been granted. The Rock Lodge Project covers an area of 163 km² and is located 35 km south of Cooma. It is prospective for orogenic, Intrusion Related Gold Systems (IRGS) and skarn related gold mineralisation.

The Rock Lodge prospect exhibits high-grade polymetallic mineralisation associated with structurally controlled epigenetic massive sulphide veins. The grades intercepted during historical drilling show the area is highly mineralised and the mineral assemblages are similar to other major mineral deposits within the Canberra to Cooma region of the Ordovician Lachlan Fold Belt.

Mr. Sanjay Loyalka, Executive Director of Shree Minerals said:

"The new tenement over the Rock Lodge Project in the Lachlan Fold Belt is an exciting opportunity for Shree Minerals and reaffirms Shree's strategy of building a high-quality portfolio of exploration projects in prospective terranes in Australia. The Rock Lodge prospect has proven prospectivity with significant drill intersections of gold and base metal mineralisation reported previously that remain open along strike and at depth"

The East Lachlan Fold Belt has a long history of mineral production including gold (80 Moz), copper (13 Mt), lead, zinc, silver and tin. It contains several large operating copper and gold mines including Evolution Mining's Lake Cowal Gold Mine, Newcrest Mining Ltd's giant Cadia Mine. Also located within the East Lachlan Fold Belt is Alkane Resources' 2019 market moving Boda discovery (502 metres at 0.2% copper and 0.48 g/t gold from 211 metres).

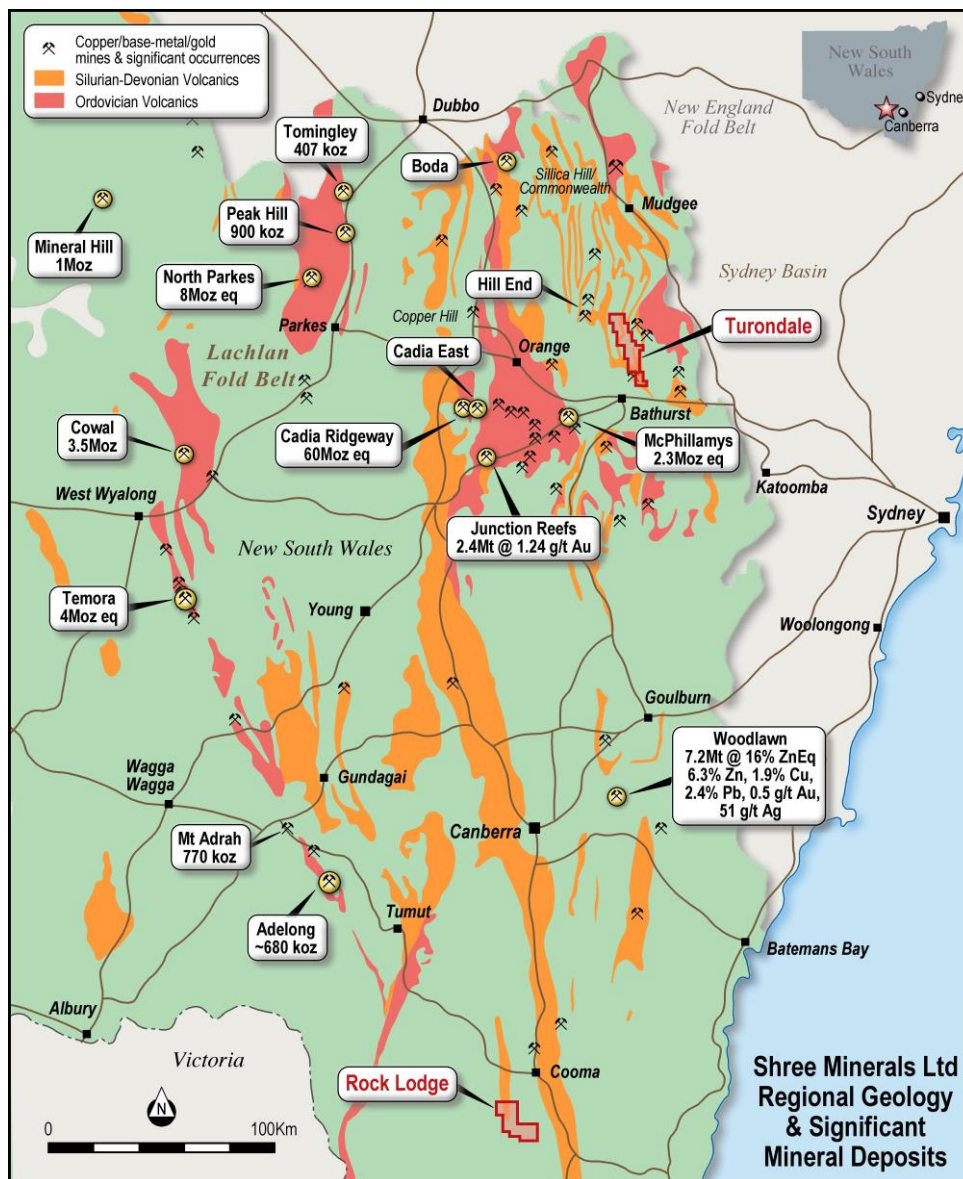


Figure 1. Regional location of Shree's granted tenement Rock Lodge, south of Cooma, within the East Lachlan Fold Belt.

The Project (EL9155) covers a folded sequence of Ordovician aged Adaminaby Group shales/siltstones and Gungoandra Siltstones (Figure 2). At the Rock Lodge prospect there is a steeply dipping sequence of predominantly siltstone with sandstone interbeds to the west and strongly carbonaceous shales to the east (Figure 3). The siltstones and shales have been locally silicified and disseminated pyrite is common throughout the foliated rock sequence.

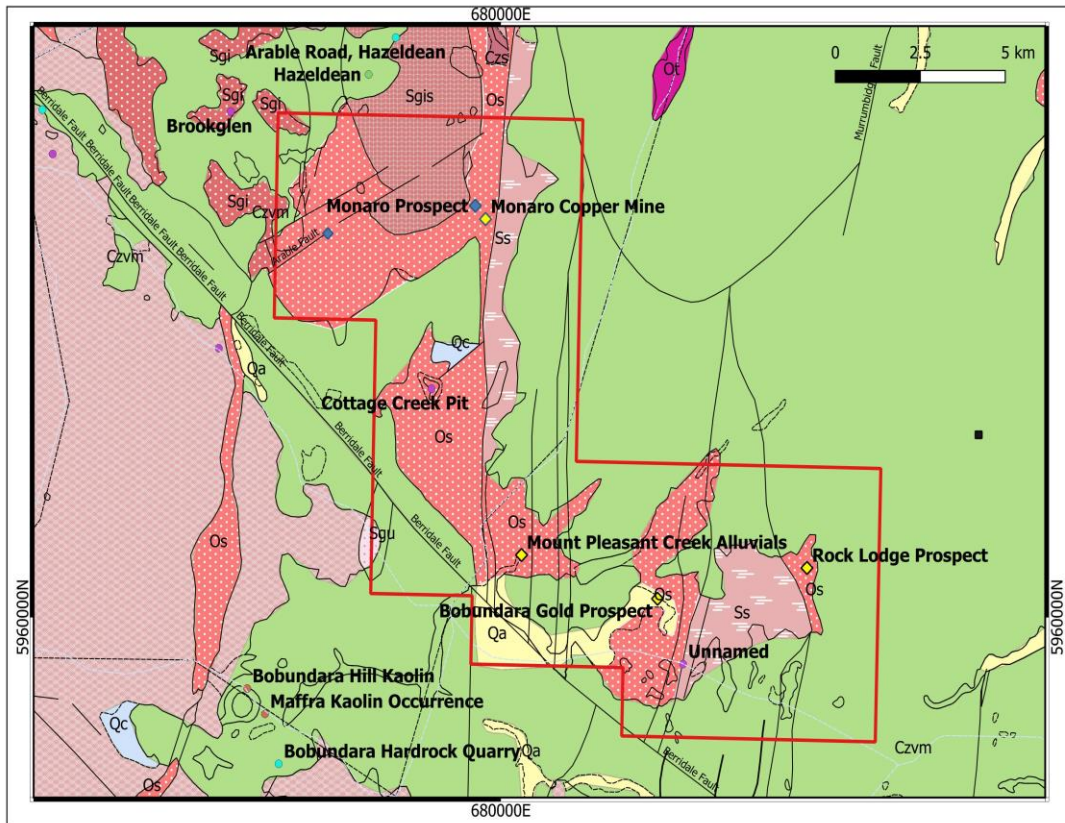


Figure 2. Regional geology and mineral occurrences within the Rock Lodge tenement. Ordovician rocks have the symbol 'Os'.

Previous Exploration at Rock Lodge.

The Rock Lodge prospect has been explored by only two companies in the last fifty years. Their exploration programs progressed to RC and diamond drilling, but significant intersections were not followed up. In addition, consideration was not given to the prospectivity away from the old workings. Several target areas generated from geochemical and geophysical surveys at Rock Lodge were not followed up, including Monaro Prospect and the Bobundara Gold Mine.

Historical exploration from 1988 – 2018 has included diamond drilling, RC drilling, IP geophysics, rock chip sampling, stream sediment sampling, trenching and acquisition of IP data on a 3.5km grid. Rock chip sampling of outcropping quartz veins at Rock Lodge by Southern Gold NL returned assay results of up to **11.1g/t Au**⁶. Diamond drilling (SGDH01 to SGDH011) in 1985 targeted the historic workings. 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**¹. Diamond hole SGDH08 intersected **12m @ 1.2 g/t Au, 9.8 g/t Ag and 0.2% Cu**. The location of these holes is illustrated in Figure 3.

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.

Six RC holes (MYRC001 to MYRC006) were also drilled underneath old workings at Rock Lodge by Alt Resources in 2018² (Figure 3). 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.**

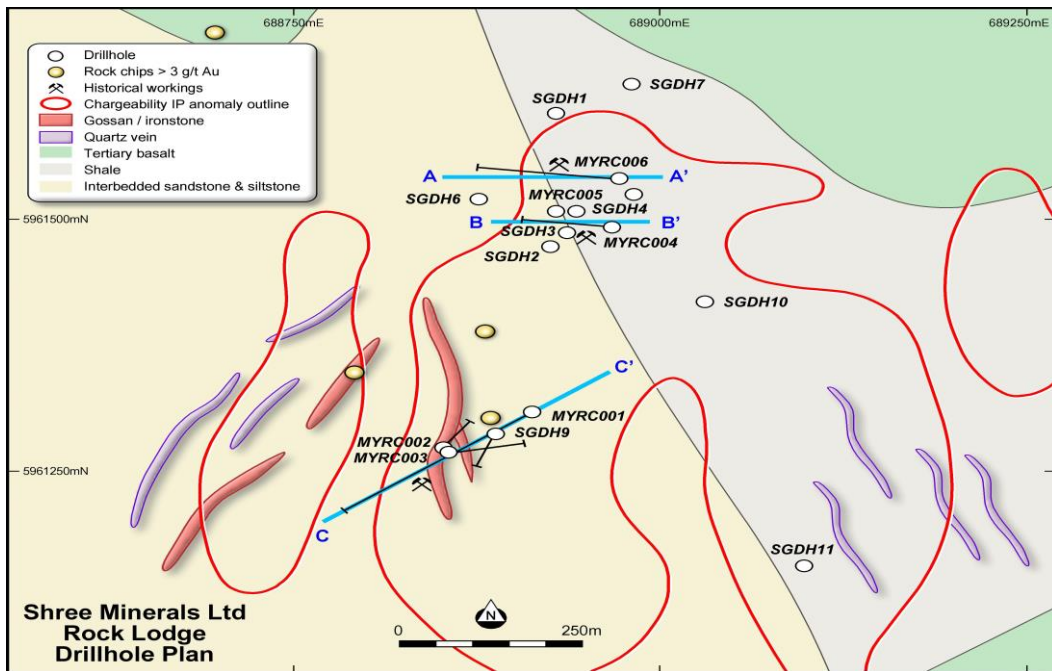


Figure 3. Historical exploration summary diagram showing the main geological features of the Rock Lodge prospect. Past drill hole locations, anomalous rock chip sampling and IP chargeability anomalies are also illustrated.

Drilling cross section B-B' is illustrated in Figure 4.

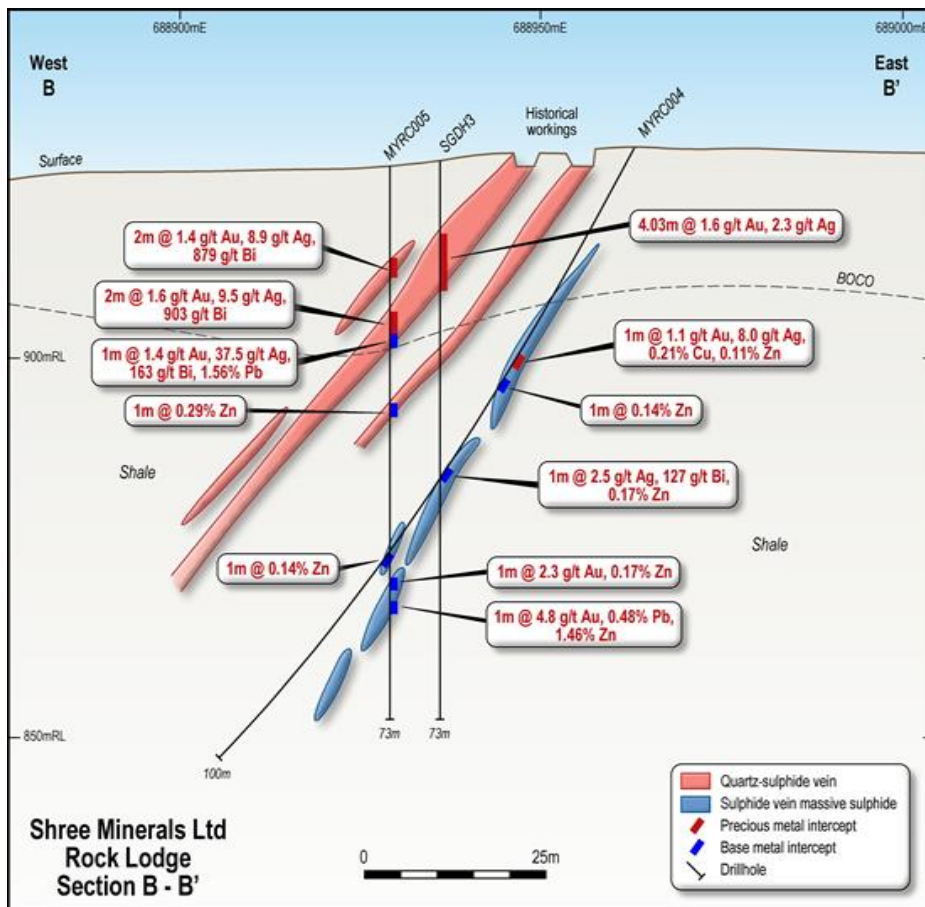


Figure 4. Cross section B-B' at Rock Lodge. Section location is shown in Figure 3.

Desk Top study.

Work by Shree Minerals has revealed that **two very strong IP anomalies remain undrilled** at the Rock Lodge Prospect, illustrated in Figure 5. The presence of abundant sulphide, from past drilling, in other IP anomalies at Rock Lodge, strongly suggest the untested IP anomalies may also be due to sulphides. Both IP anomalies are over 350m long.

1. **Northern IP Anomaly.** Anomalous rock chips with grades up to **2.52 g/t Au, 10.2 g/t Ag⁶**, as well as anomalous arsenic, bismuth, and copper. Follow up field work at this zone identified outcropping boxwork gossans and ironstones, located to the west of cross section C – C' in Figure 3. The anomaly remains open to the south.
2. **Southern IP Anomaly.** There has been no recorded sampling or drilling around the southern IP anomaly, located 1 km south of the northern IP anomaly.

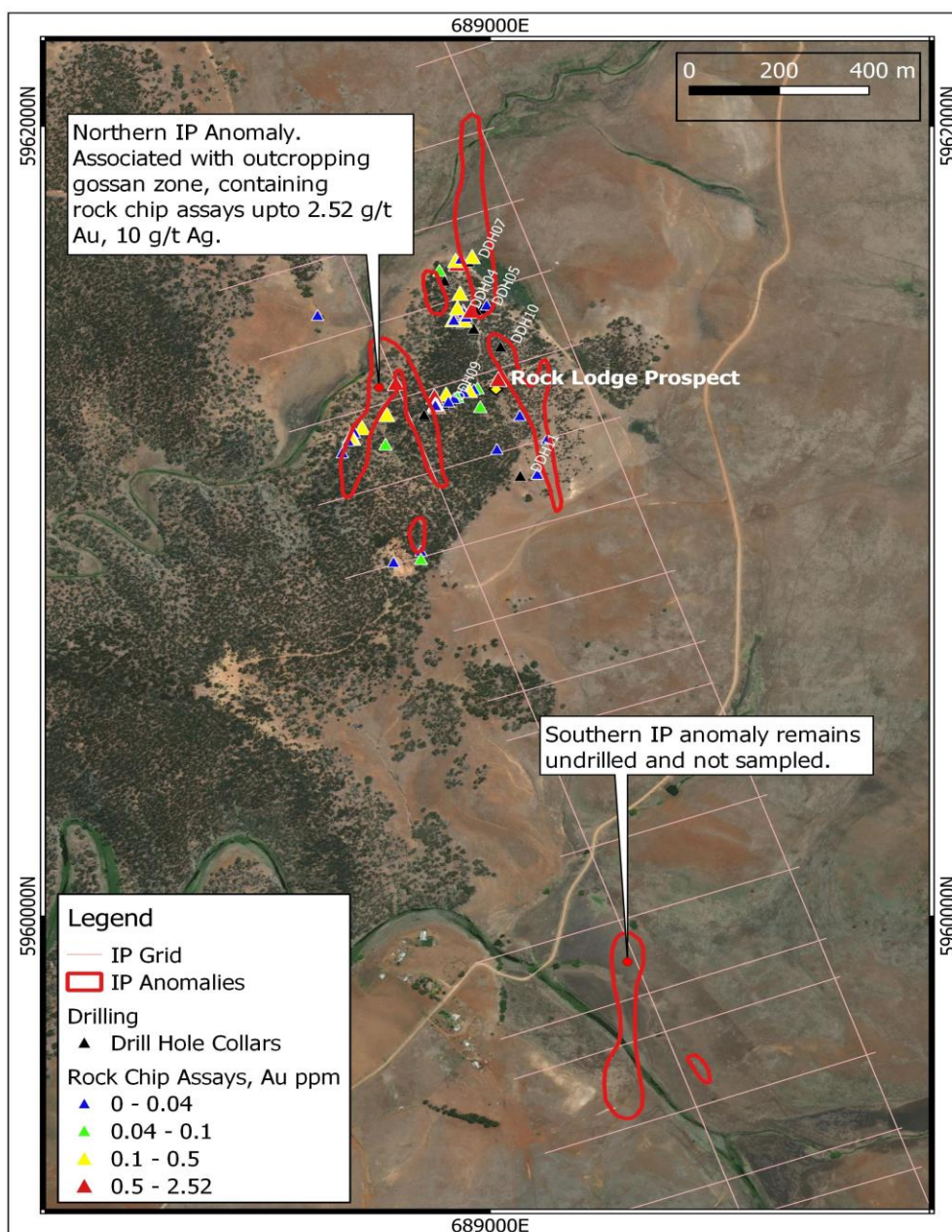


Figure 5. Compilation of the historical work done at the Rock Lodge Prospect. Also shown are the historical drill collars, rock chip samples and the location of the northern and southern IP anomalies.

The historical workings at the nearby Bobundara prospect (location in Figure 2) have a recorded production of 575g Au (18.5oz) with an average grade of 21 g/t Au (Herzberger and Barnes, 1978⁴). Mining occurred during two periods from 1928-30 and 1948-49. The mineralisation occurs as disseminated sulphide minerals in a narrow, north striking, discontinuous quartz-chlorite lode parallel to the host slates' cleavage. The workings consist of 3 or 4 shafts, an adit and shallow pits along a north south orientation. Historical underground channel sampling has assayed up to 9 g/t Au¹. There has been no recorded drilling at Bobundara.

IRGS Models.

The polymetallic sulphide rich mineralisation at Rock Lodge has possible affinity with the Intrusion Related Gold System (IRGS) group of deposits, indicated by anomalous Au, Ag, Bi, Cu, Pb, Zn. Trace element enrichment may include Sn, W, Mo, As, Te, Sb. Alt Resources noted the elevated bismuth (<0.12%) in drill holes MYRC001-6 as evidence for an affinity with the IRGS group³.

IRGS deposits are commonly within a large hydrothermal system with potential for large tonnage, low grade (1 – 2 g/t) gold mineralisation in disseminated systems or higher grades in vein systems. Deposit sizes range from 700 Kozs at Timbarra to 140 tonnes gold at Kidston in North Queensland. Production is typically for gold only. Metallurgical credits can include Ag, Cu and Zn, (e.g. Red Dome). Many mines overseas typically contain greater than 3 Moz. High-grade examples include Pogo (9.98 Mt at 17.8 g/t Au; quoted in Lang et al., 2000⁵).

Next Steps

Geophysical Surveys: Consideration will be given to conducting detailed aerial magnetic surveys because IRGS deposits are commonly associated with aeromagnetic anomalies. Induced polarisation (IP) surveys will also be considered to assist with the generation of drill targets following the success of surveys conducted by previous exploration companies.

Soil and Rock Sampling: Soil sampling is planned in areas with outcrop. Closer spaced grid sampling (200m x 50m) will be conducted on priority targets with a hand-held auger. Rock chip samples will be taken of gossans, ironstones and quartz veins.

Regional Stream Sediment Sampling: Stream sediment sampling is planned over areas with prospective Ordovician age rocks. The sample density will be increased in proximity to the mineralised areas at Mount Pleasant Creek, Bobundara Gold Mine, Rock Lodge and the Monaro Prospects.

Drilling: Targets generated by the geophysical and geochemical sampling will drill tested.

References

- ¹ Sourced from NSW Geological Survey Open File: Report GS1984_166. Southern Gold NL Annual Report.
- ² Alt Resources (ASX: ARS) announcement, 23 March 2018. Alt Resources reports polymetallic gold, copper, lead, and zinc at Myalla Project, NSW.
- ³ Alt Resources (ASX: ARS) announcement, Quarterly Activities Report June 2016.
- ⁴ Herzberger, G.A., Barnes, R.G. 1978. Bega 1:250K Metallogenic Map. Geol Surv NSW.
- ⁵ Lang, J. R., Baker, T., Hart, C. J. R., and Mortensen, J. K., 2000. An exploration model for intrusion-related gold systems. Society of Economic Geology Newsletter, 40.
- ⁶ Sourced from NSW Geological Survey Open File: Alt Resources EL8416 Final Report including the Fourth Annual Report – Rock Lodge Project, Myalla, 2019.

Cautionary Statement

- The Exploration Results for the Rock Lodge Project have been reported by former owners.
- The source and date of the Exploration Results reported by the former owners have been referenced in the body of this announcement where Exploration Results have been reported.
- 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
- A summary of the work programs on which the Exploration Results quoted in this announcement are included in Table 1 and 2.
- 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 following acquisition & will be funded by the Company.

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.

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