SHREE MINERALS LIMITED

13th July 2011

Shree Minerals Exploration Update

Shree Minerals Limited (ASX: SHH) ("Shree" or the Company) is pleased to advise the DSO resource delineation drilling results and drilling done for other Project related studies at its Nelson Bay River Iron Project in North West Tasmania.

Highlights

- **Drilling at Nelson Bay River Iron Project commenced on 7th March with RC percussion and concluded with diamond for a total of 1542 m on 2nd May 2011.**
- **Drilling has extended presence of goethitic-hematite mineralisation across the strike and in depth to greater than 60 m from the natural surface in the DSO pit area.**
- **Preliminary metallurgical test work on PQ drill core composite from the Beneficiable Feed Ore (BFO) zone shows upgrading of BFO by dry low intensity magnetic separation (LIMS) process with excellent recovery at appx 83%.**

Drilling

Drilling done to date at the Nelson Bay River Iron Project (NBR) is shown in Figure 1.
This announcement is in continuation of the Company's ASX announcement dated 9th June 2011. The company is pleased to advise that assays for all ore intersections from the 2011 resource delineation drilling have been received and significant ore intersections grades along with their Calcined Fe are given below in Table 1.

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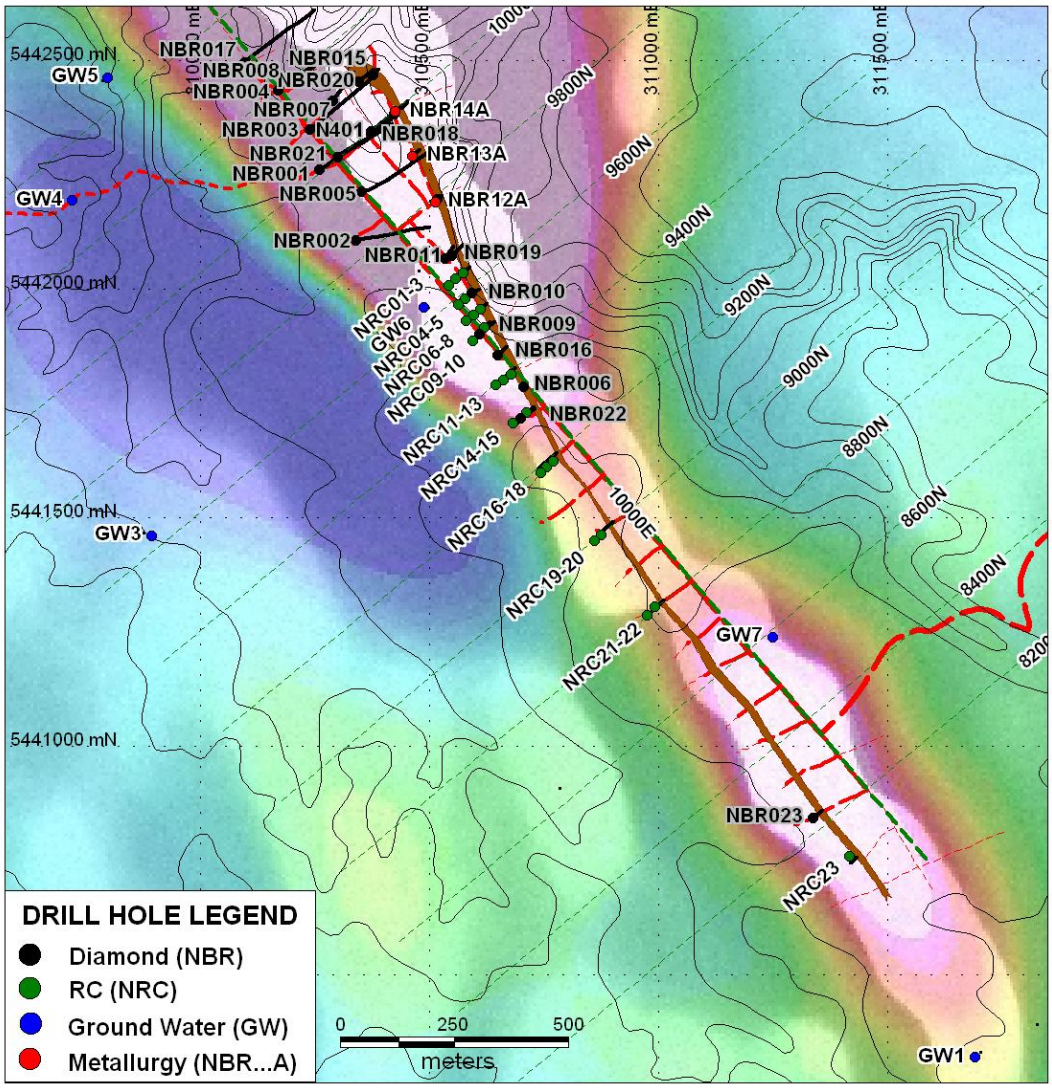
Table 1: Significant iron ore assay intersections at NBR

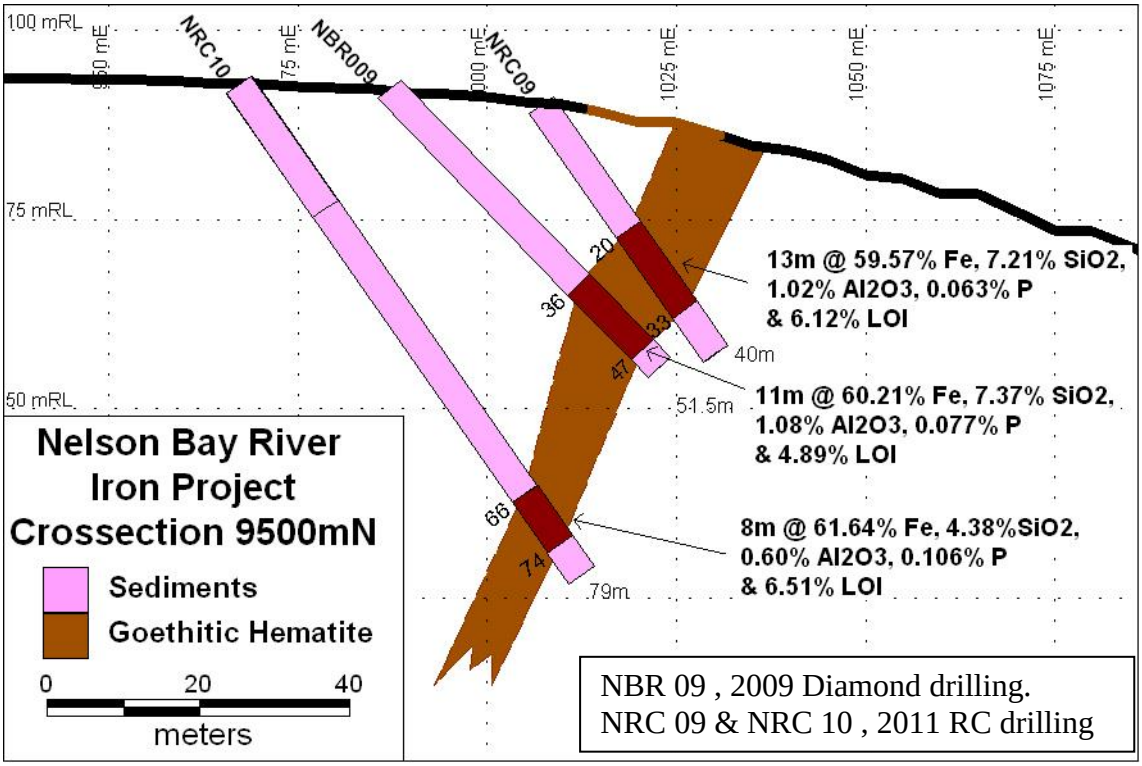
Location (N)	Hole ID	From	To	Interval(m)	CaFe %	Fe%	SiO2%	Al2O3%	P%	S%	LOI%
9600	NRC04	29	45	16	58.65	54.98	14.18	0.59	0.05	0.05	6.17
9550	NRC06	7	24	17	62.53	59.06	7.18	2.31	0.06	0.03	5.62
9550	NRC07	30	46	16	64.39	59.71	6.03	0.52	0.16	0.02	7.26
9550	NRC08	56	66	10	57.38	54.53	15.99	0.50	0.08	0.12	4.98
9500	NRC09	20	33	13	63.73	59.80	6.86	0.99	0.07	0.02	6.19
9500	NRC10	66	75	9	64.78	60.59	5.95	0.58	0.11	0.01	6.45
9400	NRC11	7	15	8	55.05	51.68	12.03	7.15	0.04	0.04	6.33
9400	NRC 12	33	46	13	63.39	58.73	6.22	1.63	0.10	0.02	7.30
9400	NRC 13	58	64	6	66.31	62.39	3.91	0.39	0.11	0.01	5.93
9300	NRC 15	7	27	20	63.25	58.05	4.47	1.41	0.06	0.03	8.24
9200	NRC 17	46	48	2	63.80	60.53	5.92	1.78	0.07	0.03	5.13
9200	NRC 18	12	24	12	63.38	58.19	5.91	1.84	0.14	0.03	8.18
8800	NRC 21	23	28	5	60.11	57.81	10.52	1.96	0.05	0.05	3.85
Note 1:	Missing samples withion the significant intervals have been applied averages of the whole interval . This is relevant										
	for 2 missing samples in NRC 12 & 1 sample in NRC 18										
Note 2 :	CaFe is calculated as "Fe/(100-LOI)X 100" and is commonly referred to as calcined iron.										

Figure 1: Nelson Bay River Iron Project drill hole location plan



The drilling has extended the width as well as depth of goethitic-hematite mineralisation to more than 60 m (Figure 2) in the proposed DSO pit area (Figure 3)at several places.

Figure 2: Cross section showing width & depth of iron mineralisation



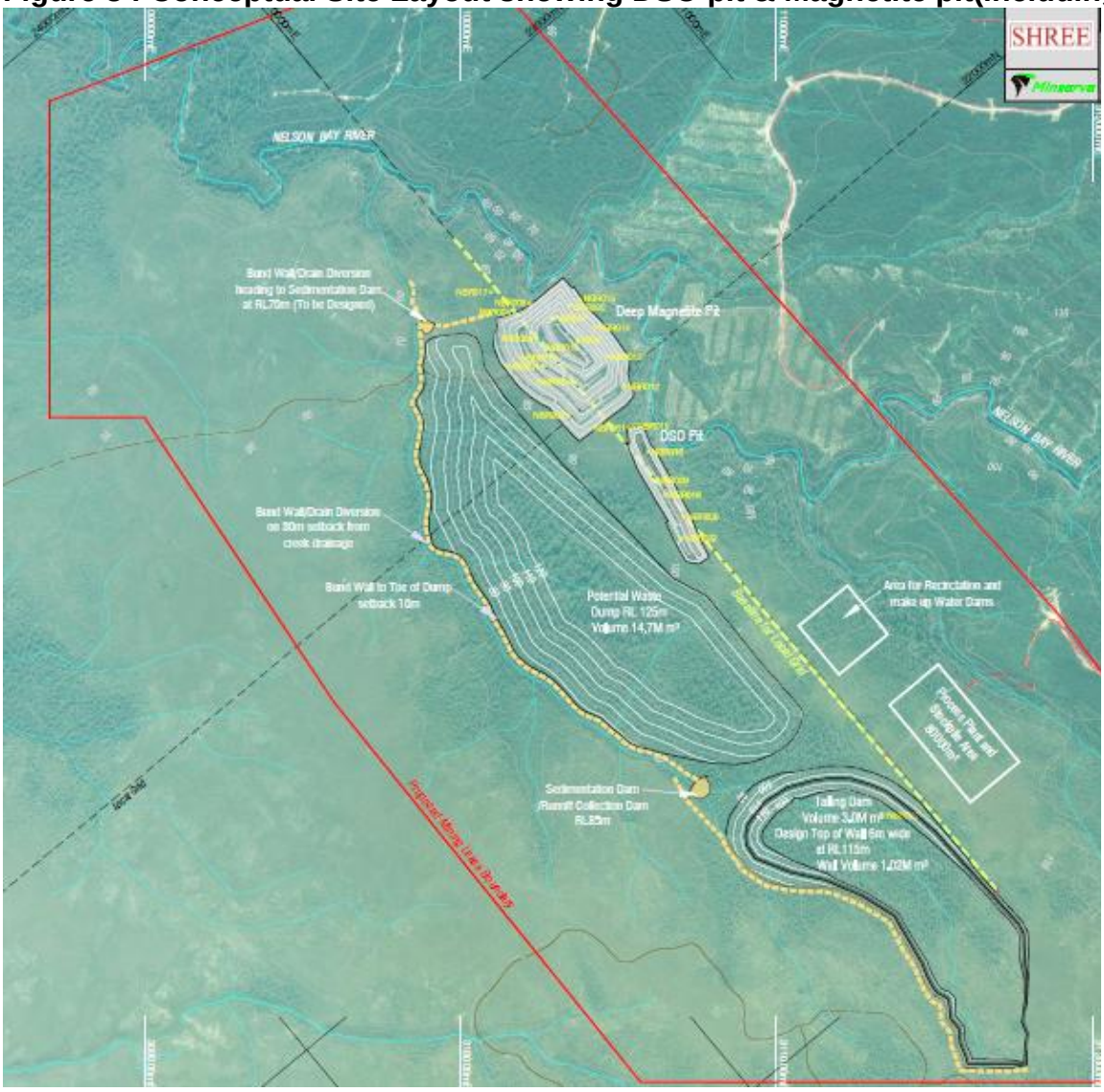
Metallurgical Tests

A total of 3 PQ diamond drill holes , namely NBR 12A, 13A, and 14A, for 72.9 m were drilled in the BFO zone defined earlier by 2009 diamond drilling program above the proposed deep magnetite pit (Figures 1 and 3). . From this drilling, based on material characteristics, two composite samples for metallurgical testing were prepared. Composite one consists of cores from drill holes 13A and 14A, while the second composite was made from core of drill hole 12 A. The significant results of the tests include that the composite of Hole 13A & 14A was upgradeable to 56.1 % Fe by a dry low intensity magnetic separation (LIMS) with recovery of 83.6% (Table 2).

Table 2: Significant Metallurgical Test Results

COARSE COBBING - DRY LIMS TEST @ P100 1.0mm															
			Fe	SiO_2	Al_2O_3	CaO	MnO	P	S	MgO	Na_2O	Zn	TiO_2	K2O	LOI-1000
DRY LIMS @ 1100 GAUSS	FRACTION WEIGHT (Kg)	Wt. DISTn. (%)	Fe Grade (%)	SiO_2 Grade (%)	Al_2O_3 Grade (%)	CaO Grade (%)	MnO Grade (%)	P Grade (%)	S Grade (%)	MgO Grade (%)	Na2O Grade (%)	Zn Grade (%)	TiO2 Grade (%)	K2O Grade (%)	LOI-1000 Grade (%)
Mags	14.17	83.6	56.10	11.90	1.72	0.01	1.39	0.010	0.039	0.40	0.019	0.007	0.051	0.048	2.90

Figure 3 : Conceptual Site Layout showing DSO pit & Magnetite pit(including BFO)



About Shree Minerals

Shree Minerals is a Perth-based multi-commodity exploration and development company which was listed on the ASX in February 2010. The Company has interests in iron, gold, and base metals. All tenements are in Tasmania. The Company currently has two core projects in Tasmania; the Nelson Bay River Iron Project and the Sulphide Creek Gold in the North West Tasmania.

For further information please contact:

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The information in this report that relates to Exploration Results, Minerals Resources or Ore Resources is based on information compiled by Mr Mahendra Pal who is a Member of the Australian Institute of Company Directors, a Fellow of the Australasian Institution of Mining and Metallurgy, Australia and a Member of the Society of Geoscientists and Allied Technologists, India. Mr Pal is a member of the Shree Minerals Board (Non-Executive Director) and has sufficient experience relevant to the style of mineralisation and deposit type under consideration, and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Pal consents to the inclusion of this report of the matters based on his observations in the form and context in which it appears.