

Quarterly Report

PERIOD ENDING 30 JUNE 2014

ASX Code: SHH

Highlights

- Iron ore prices fell sharply throughout the quarter
- Operations suspended and put on care & maintenance
- Steps taken to conserve resources

This report covers Shree Minerals' (Shree or the Company) activities for the quarter ended 30th June 2014.

Nelson Bay River Iron Project (NBR)

Mining & Production

		Quarter ending 30/6/2014	Quarter ending 31/3/2014	Year to date period ending 30/6/2014	Year to date period ending 30/06/2014
Waste Stripping	BCM	139,574	369,021	636,347	-
Ore Mining	Tonnes	84,825	87,573	224,571	-
Ore Crushing & screening	Tonnes	24,898	83,121	153,332	-
Sales	Tonnes	44,451	86,448	130,899	-

- Product quality continued to improve. The production is now appx 50% Iron Ore Lumps for which the premium has been set linked to published spot indices.
- Transportation to port slower than forecast levels. Steps taken towards improvement.

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SHREE SHREE MINERALS LIMITED

- Mine schedule adjusted appropriately to reduce total material mined prior to suspension of operations in mid June. Consequently, significantly lower waste was mined during the quarter. Crushing was also lower to adjust to transport rates.
- As iron ore prices continued to fall sharply during the quarter, the operations have been suspended since mid-June 2014 and put on care & maintenance.
- Steps taken to optimise costs.

Tenements

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

<u>Mine Lease/ Exploration License</u>	<u>Locality</u>	<u>Remarks</u>
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 quarter and their location.

Relinquished exploration licence at Rebecca Creek on completion of term

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

NIL

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

NIL

Exploration

Follow up testing of previously identified positive vectors to Zn-Pb mineralisation was undertaken at Mt Sorell (EL42/2008) during the quarter. Work entailed rock chip sampling, northward extension of the soil sampled grid and a ground magnetic survey. Highly encouraging was the return of 0.6g/t Gold in a rock chip sample, bearing elevated Zinc (1570ppm) and Lead (259ppm).

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About Shree Minerals

Shree Minerals Limited is engaged in mining and production of iron ore & dense media magnetite at its core project; the Nelson Bay River Iron Project in the North West Tasmania and engaged in exploration of its other tenements in Tasmania.

ABOUT THE NBR PROJECT

The NBR Project area is located about 6 km North East of the town of Temma and about 70 km South West of Smithton, in North West Tasmania.

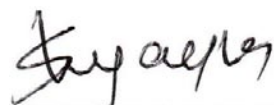
The tenements contain a series of NW striking, strong amplitude magnetic anomalies. The iron mineralisation at NBR is hosted by a 10 to 28 metres wide mafic dyke, which crosses cuts the country rocks and increases in width with depth. Within this dyke is a magnetite-rich section and oxidation of the magnetite has generated goethite-hematite mineralisation to varying depths.

NBR project has a JORC compliant global Iron resource of 11.3 Mts including goethitic-hematite resource of 1.4 Mts and magnetite resource of 7.8 Mts.

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.

Yours faithfully



Sanjay Loyalka

Chairman

The data in this report that relates to Exploration Results and Mineral Resource Estimates is based on information evaluated by Mr Simon Tear who is a Member of The Australasian Institute of Mining and Metallurgy (MAusIMM) and who has sufficient experience relevant to the style of mineralisation and type of deposit 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"). Mr Tear is a Director of H&S Consultants Pty Ltd and he consents to the inclusion in the report of the Mineral Resource in the form and context in which they appear.

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