

ASX Announcement
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Drilling Commences at Lachlan Fold Belt Project

- RC and diamond drilling commences at Rock Lodge.
- Program will comprise 14 holes for ~1,400m
- RC drilling will target coincident IP chargeability anomalies and gold arsenic bismuth soil anomalies. Soil anomaly at northern target centred on best result of 1.29 g/t Au
- Three angled diamond holes will target depth extensions to extensive base metal sulphide mineralisation discovered in historical drilling.
- Rock chip sampling of gossanous material and quartz veins by Shree returned a best result of 7.3g/t Au with 6049ppm As and 446ppm Bi.



Figure 1: Drill rig in operation at Rock Lodge

Shree Minerals Ltd (“Shree” or the “Company”) is pleased to announce that RC and diamond drilling at the Rock Lodge prospect in Lachlan Fold Belt Project, NSW has commenced.

Approximately 11 RC holes and 3 diamond holes are planned for ~1400m of drilling. The diamond drilling will test projected down-dip extensions to the extensive sulphide mineralisation intersected in historical drilling. The RC drilling will test Induced Polarisation (IP) chargeability anomalies and coincident anomalous soil geochemistry at the northern and southern target areas at Rock Lodge

Diamond Drilling.

Three angled diamond holes will target extensive sulphide mineralisation identified in drilling from previous workers at Rock Lodge. These historical holes focussed upon the old workings seen throughout the area.

Diamond holes drilled in 1985 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**. Diamond hole SGDH08 intersected **12m @ 1.2 g/t Au, 9.8 g/t Ag and 0.2% Cu**.

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.**
- 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 location of these historical holes is illustrated in Figure 2,3 & 4.

The mineralisation is associated with massive and disseminated pyrite-arsenopyrite-chalcopyrite-sphalerite sulphides and quartz, within host phyllites and sandstone. This is exposed on the surface as a distinct gossan and ironstone.

Diamond drilling by Shree will focus upon the projected down-dip extensions to the extensive sulphide mineralisation discussed above.

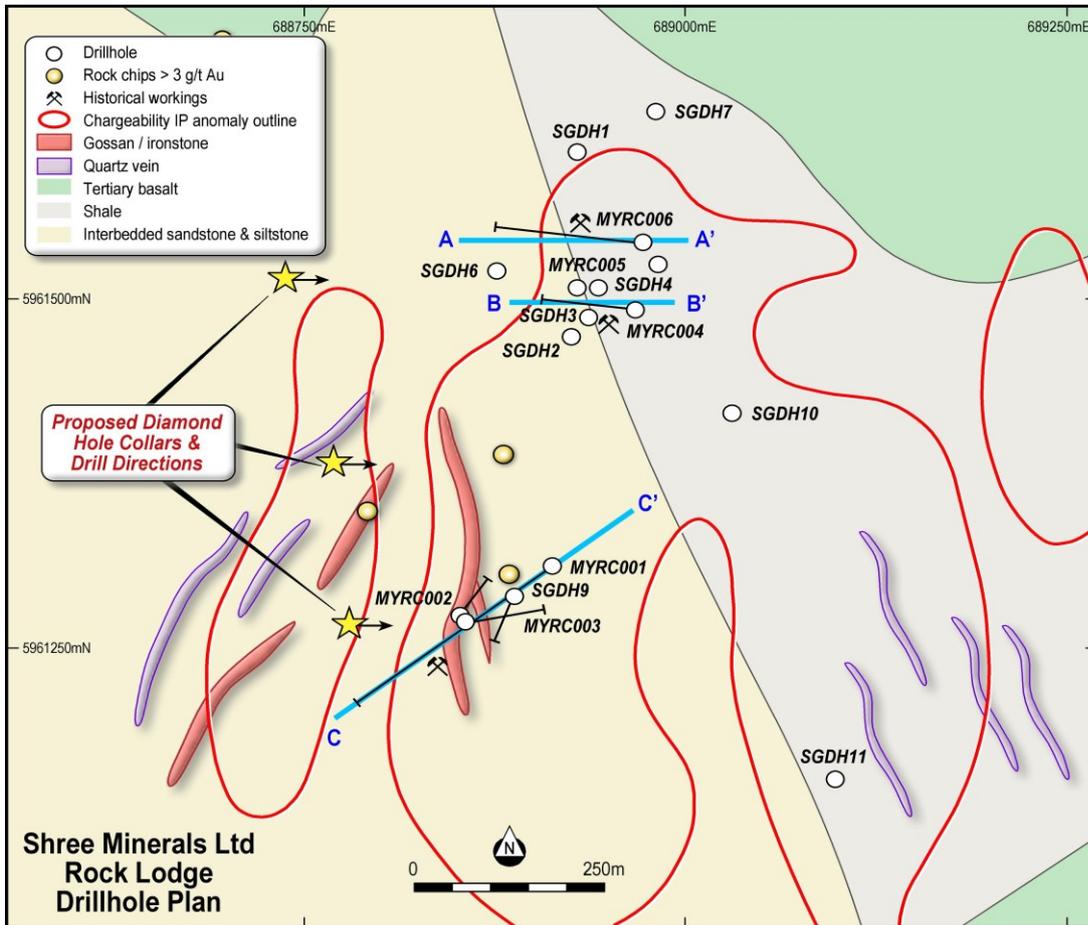


Figure 2. Summary plan showing locations of previous drilling, drill hole sections, proposed Shree diamond holes, gossan horizons and IP anomalies.

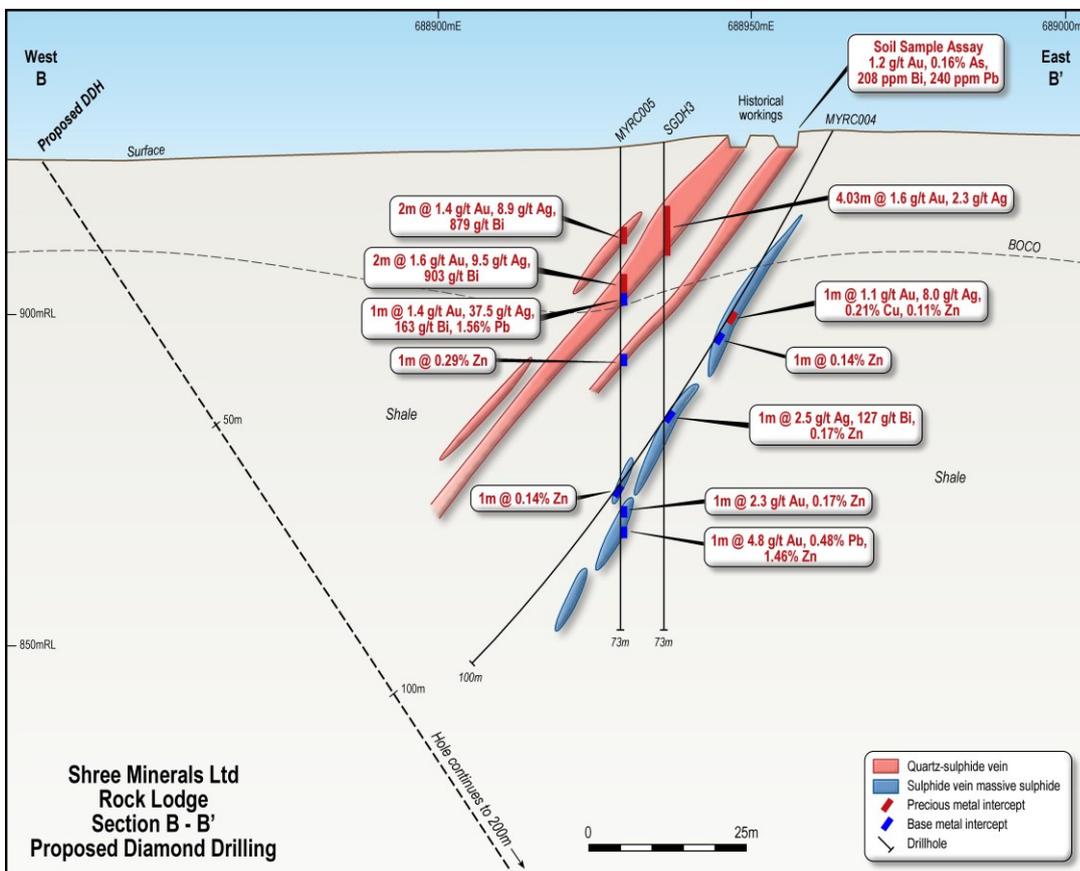


Figure 3. Proposed diamond drilling along section B – B'.

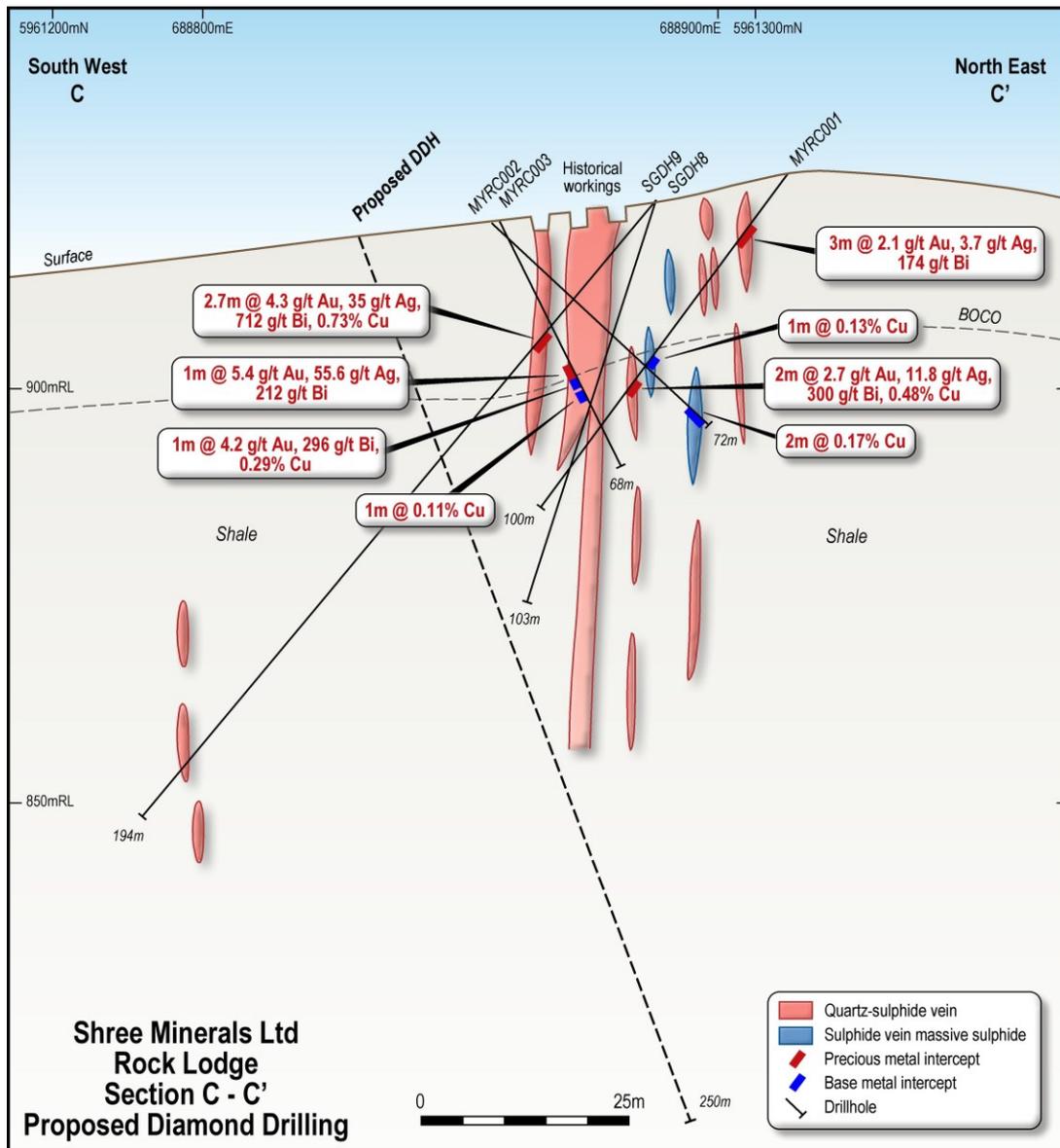


Figure 4. Proposed diamond drilling along section C – C’.

A third diamond hole will test the same IP anomaly and soil geochemistry anomalies between sections C – C’ and B - B’.

RC Drilling.

Areas of old workings coincide with an IP chargeability anomaly caused by sulphide veins and quartz veins. Rock chip samples of gossanous material and quartz veins collected by Shree returned a best result of 7.3g/t Au with 6049ppm As and 446ppm Bi. RC drilling will test those extensive and continuous IP anomalies that are also coincident with very anomalous soil and rock chip geochemistry.

At the southern target area (figure 5), an IP chargeability anomaly is located on what is interpreted to be the southern strike extension of the mineralised trend. Bedrock in the area is obscured by a thin layer of basaltic rock that has prevented previous rock chip and soil sampling. The target has not been drilled previously.

RC and diamond drill hole locations are shown in figure 5

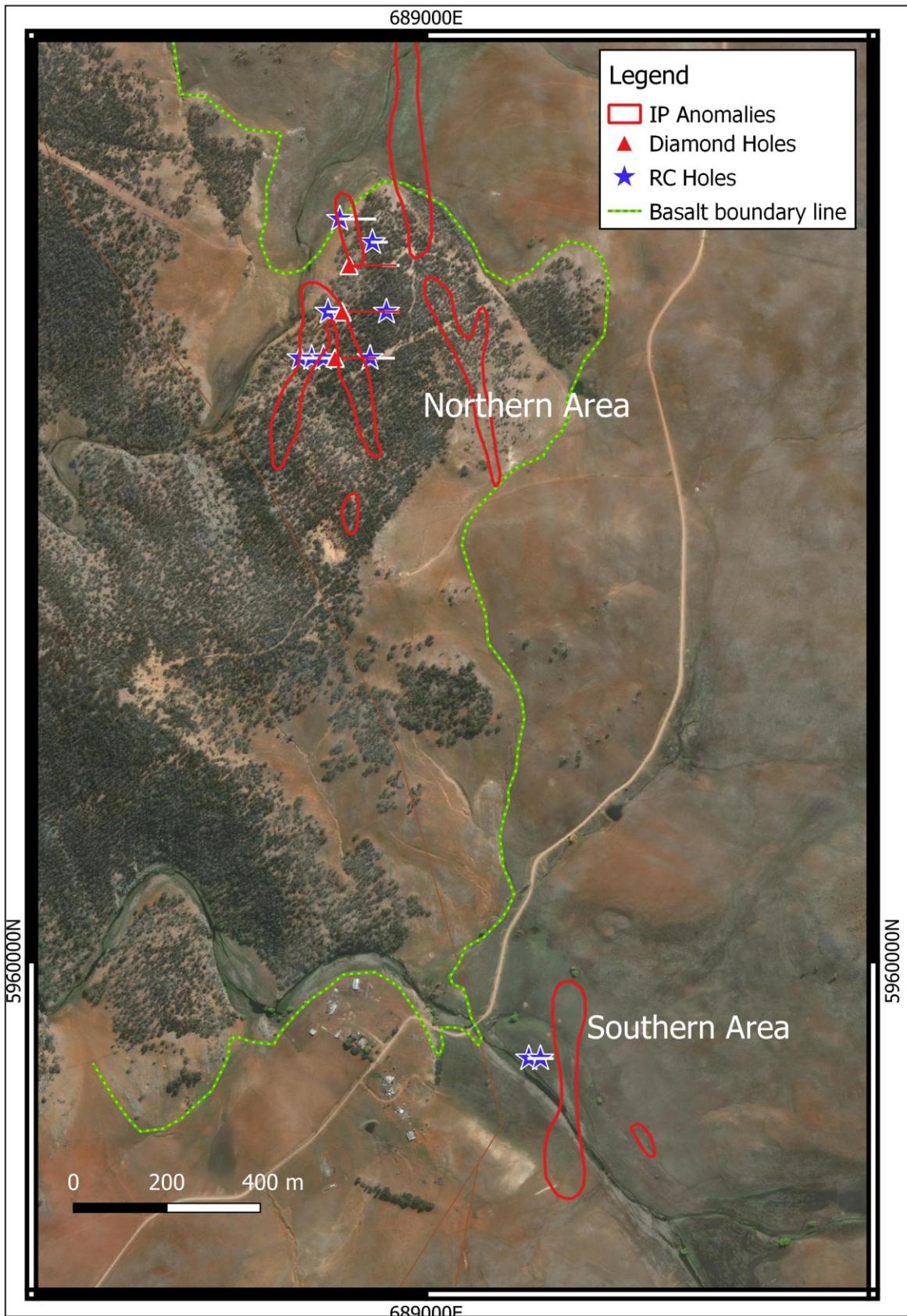


Figure 5: Rock Lodge prospect showing proposed drill hole locations that will test IP chargeability anomalies (red polygons).

Regional Geology

The East Lachlan Fold Belt has a long history of mineral production including gold (80 Mozs), 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 Boda discovery (502 metres at 0.2% copper and 0.48 g/t gold from 211 metres).



Figure 6. Regional location of Shree's tenements within the East Lachlan Fold Belt.

Within the East Lachlan region, a chemical rock sequence has been intruded by various magmas, that create a highly prospective environment for mineralisation. These deposits display a range of different gold mineralisation styles, including orogenic, porphyry, skarn and volcanogenic massive sulphide. While there are similar mineralisation types across northern Australia, Indonesia, Papua New Guinea, the East Lachlan region is different in age and chemistry, making it globally unique and very prospective.

Other Target Areas within Rock Lodge EL 9155

The Rock Lodge Project (EL 9155) covers a folded sequence of Ordovician aged Adaminaby Group shales/siltstones and Gungoandra Siltstones (Figure 7). **The historical workings at Bobundara have a recorded production of 575g Au with an average grade of 21 g/t Au (Herzberger and Barnes, 1978). Mining occurred during two periods from 1928-30 and 1948-49.** The mineralisation occurs as disseminated sulphide minerals in a narrow, discontinuous quartz-chlorite lode parallel to the host slates' cleavage. The workings consist of 3 or 4 shafts, an adit and shallow pits. There has been no recorded drilling at Bobundara. Shree intends to undertake additional sampling and mapping at Bobundara, including soil and rock chip sampling along strike of the main workings. This work should lead to the identification of new drill targets, in preparation for a RC drilling program later in 2022.

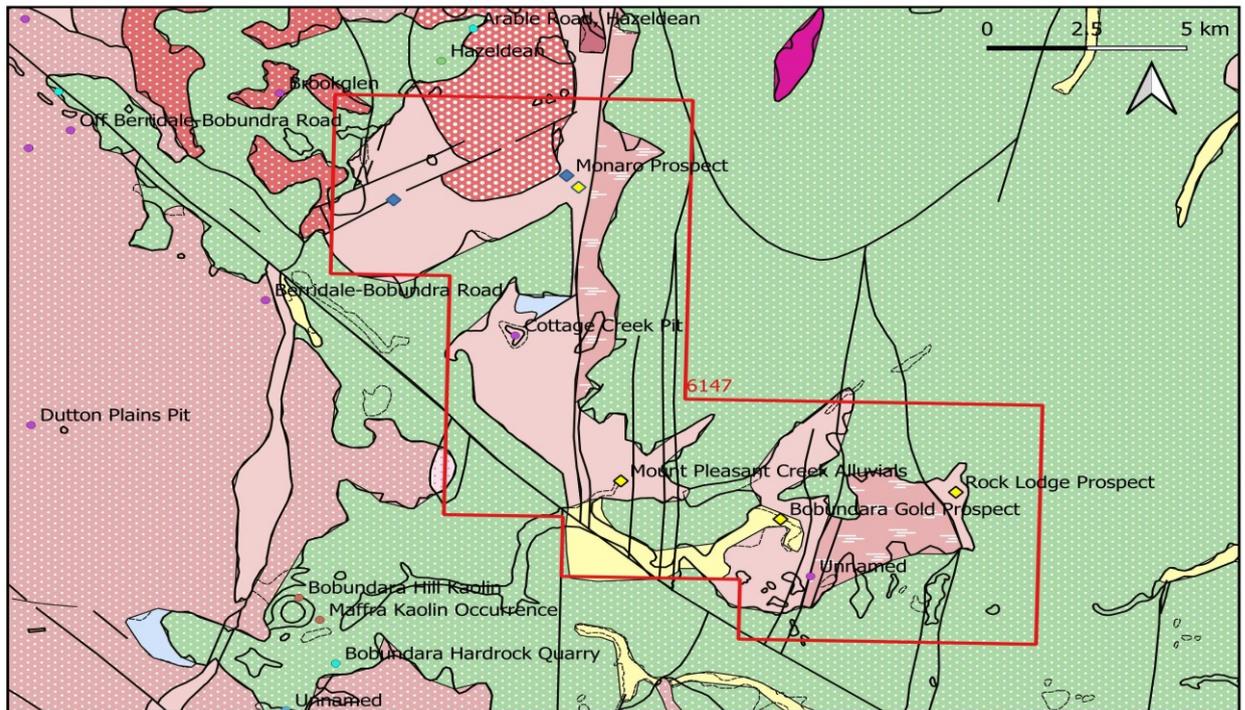


Figure 7. Regional geology and mineral occurrences within Rock Lodge EL 9155.

IRGS Models.

The gold, bismuth and copper mineralisation at Rock Lodge is interpreted to have affinity with the Intrusion Related Gold System (IRGS) style of mineralisation. There is potential at depth for bulk tonnage gold mineralisation associated with an intrusion. 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 a mineralised system above an intrusion at depth, with bulk tonnage potential (Figure 8). Planned drilling will initially target the shallow veins but pending results deeper drilling is planned to test for an interpreted source intrusion at depth. Several Silurian and Devonian aged intrusions have been mapped in the Rock Lodge area by the NSW Geological Survey

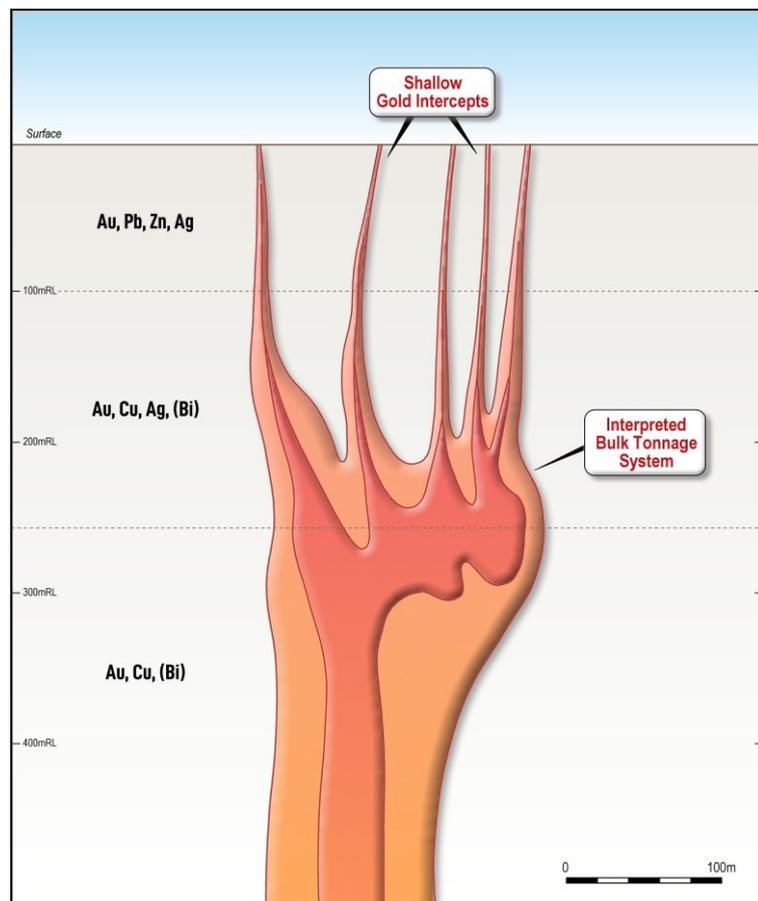


Figure 8: Diagrammatic figure of the Intrusion Related Gold System model at Rock Lodge

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.

About Shree Minerals Limited

Shree Minerals Limited is an Australian diversified mineral exploration and mine development company whose vision is to create shareholder value through the successful exploration of prospective gold, base metal, lithium and iron ore projects and the development of these projects into production.

References

Shree Minerals Ltd previous ASX announcements including 3rd November 2020 & 5th October 2021.

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