



SHREE MINERALS LTD

ASX Announcement
30 June 2020

Farm-in and Joint Venture with Territory Lithium Pty Limited to explore for gold and base metals

ASX Code SHH

ACN 130 618 683

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- **Gold and base metal projects acquired in the Northern Territory**
- **Previous drilling at the Edwards Creek prospect intersected 4.5m @ 2.5% Cu, 0.67% Pb from 17m⁴**
- **Mineralised lead-zinc zone at the Box Hole prospect extends 6km**
- **Rock chip sampling at Bruce's Gold prospect returns up to 53g/t Au⁶**

Shree Minerals Ltd ("Shree" or "SHH" or the "Company") is very pleased to announce it has entered into a farm-in and joint venture agreement ("Arunta Joint Venture") with Territory Lithium Pty Limited ("TLPL") to explore TLPL's tenements for gold and base-metals.

The projects of the Arunta Joint Venture are the Box Hole, Edwards Creek and Bruce Gold Projects located in the Northern Territory. The tenements subject to these are EL 31225, EL32419 and EL32420 covering an area of ~380 square kilometres of ground in the highly prospective Arunta Region and 100% owned by TLPL. (Figure 1). Significant projects in the area include the Jervois Copper Project² and the Johnnies Reward Gold-Copper Project³.

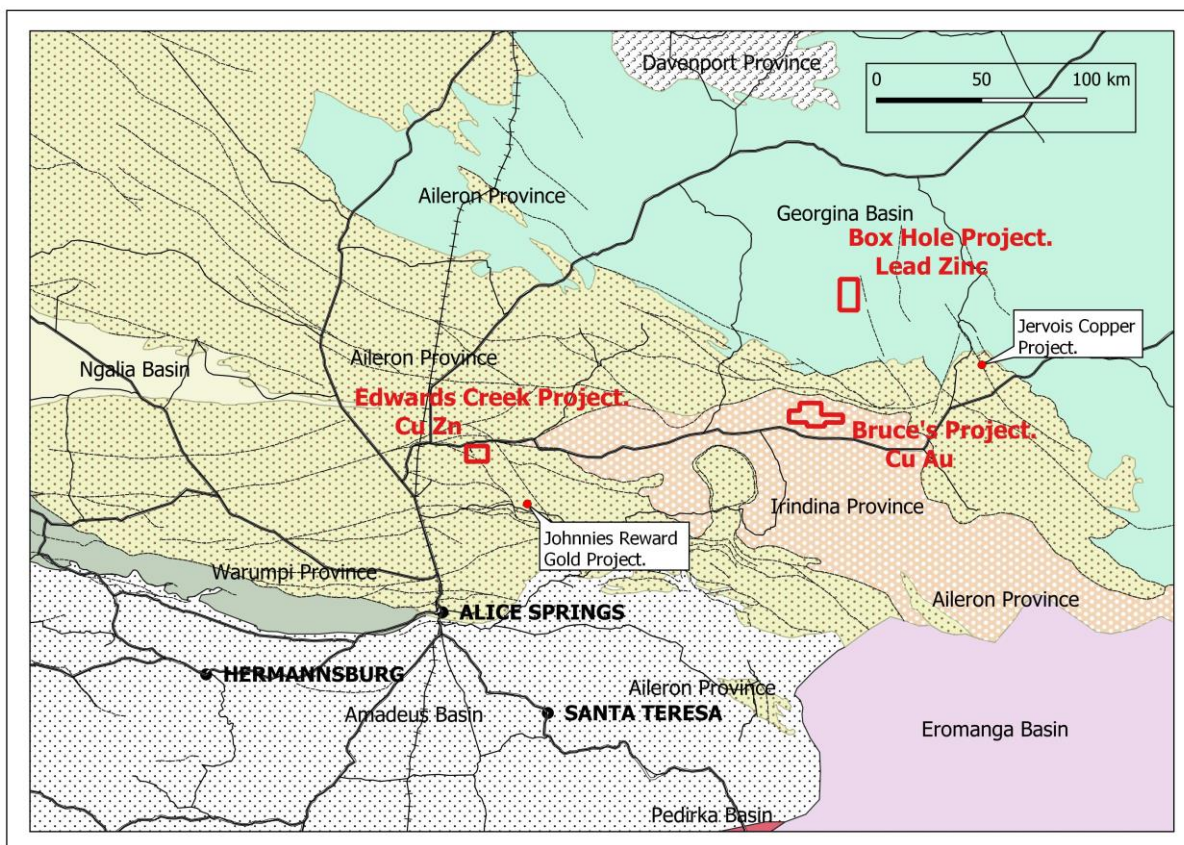


Figure 1. Regional location of the Arunta Joint Venture projects and major resource projects in the region

Shree Minerals' Executive Director, Sanjay Loyalka said "The Arunta Joint Venture gives our shareholders exposure to another exciting exploration opportunity, additional to our efforts which remain focused on the development of Nelson Bay River Iron Project in Tasmania and exploration of gold resources at the Golden Chimney Project in Western Australia."

The principal terms of the Arunta Joint Venture 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.

Cautionary Statement

- **The Exploration Results for Box Hole, Edwards Creek and Bruce 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 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 Appendix 1;**
- **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 as per the terms of the farm in and Joint Venture Agreement.**

Highlights of the projects.

Edwards Creek Project

The Edwards Creek Project (EL32420) covers 76 km sq and is located 110km by road north of Alice Springs. Access is via the Stuart Highway and the Plenty Highway. It is located within the Aileron Province (Figure 1).

The project area covers the Edwards Creek and Mueller Creek prospects. Previous exploration at the Edwards Creek prospect discovered copper-(gold) mineralisation that has been interpreted to be metamorphosed volcanic massive sulphide. The style of mineralisation has similarities to the Johnnies Creek copper-gold project and the Jervois Copper Project.

In 1980, CRAE identified an EM conductor associated with a prominent siliceous gossanous hill shown in Figure 2. Rock chip sampling of the gossan returned up to 0.64% Cu, 0.64% Pb, 1.28% Zn⁴. Copper staining of the rocks is common throughout gossanous areas, illustrated in Figure 3. Two diamond drill holes by CRAE (DD80EC01 and DD81EC02) intersected strata-bound base metal mineralisation. Better historic results include (for related results see Appendix 1)

**4.5m at 2.25% Cu, 0.11% Pb, 1.54% Zn, 0.14 g/t Au from 47.45m⁴
Including 0.72m at 7.11% Cu, 1.9% Zn, 0.24 g/t Au in hole DD80EC02.**



Figure 2: Edwards Creek ferruginous ridge (gossan)

Figure 3: Malachite staining on strongly oxidised ferruginous quartz rock

The project has been held by a variety of companies since the initial drilling by CRA including Pasminco and more recently Territory Exploration. Territory Exploration⁷ drilled two RC holes (RC01 and RC02) testing a SKYTEM anomaly near the CRAE diamond holes, illustrated in Figure 4. For related results, see Appendix 1.

Local mapping by Pasminco⁸ identified important synclinal folding in the area, illustrated in Figure 4. Potential for mineralisation is interpreted to exist around the folded prospective stratigraphic horizon. The target horizon contains several occurrences of copper, lead, zinc and magnetite along its length.

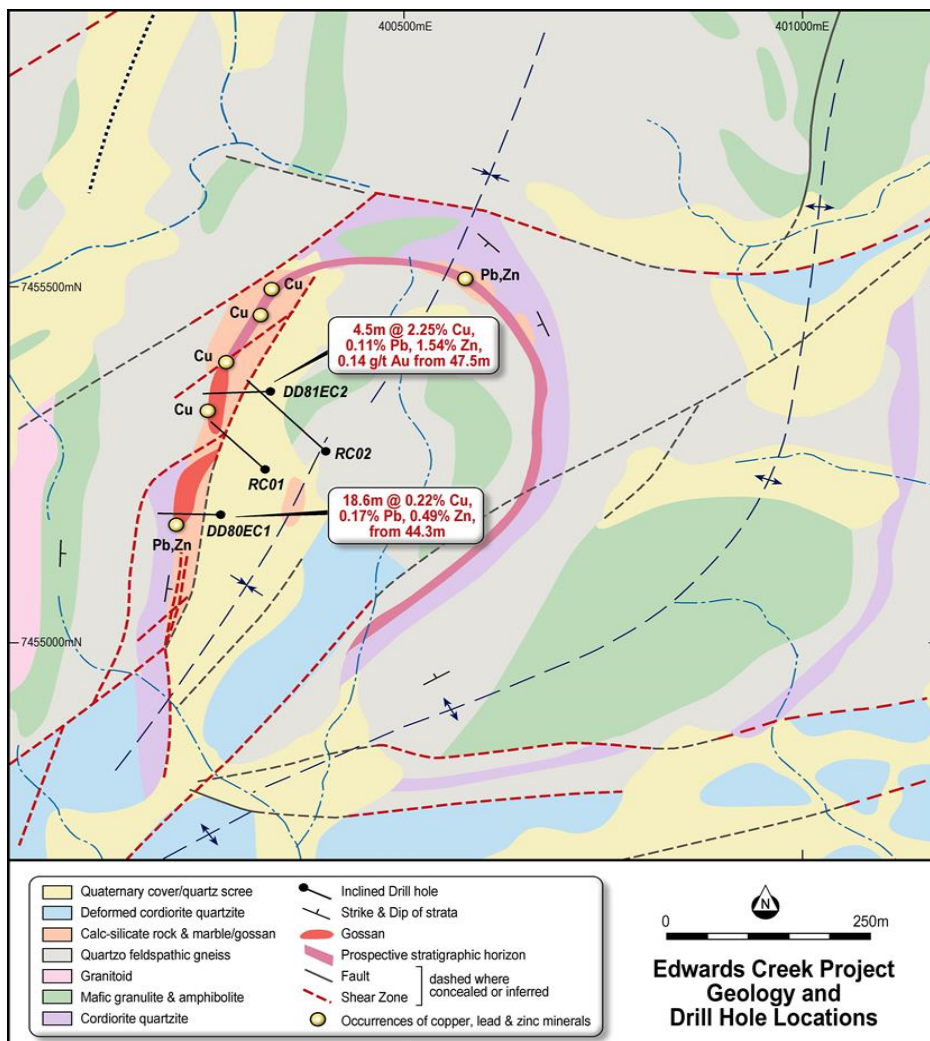


Figure 4. Local geology and drill hole locations.

The presence of zinc spinels at Mueller Creek, 4 kms east of the Edwards Creek gossan and other gossanous occurrences beyond the Edwards Creek prospect were reported by Territory Exploration during brief field reconnaissance work⁷. These occurrences confirm the additional prospectivity of the project area.

Next Steps.

Shree considers the source of the strong conductor at Edwards Creek is not adequately explained. The gossan remains open down dip and along strike. The project requires further assessment of the EM surveys discussed above, using modern filtering and modelling techniques to design definitive drill programs. Additional holes drilled to test the strong EM conductor identified by CRA will be surveyed with downhole electromagnetics to assist modelling and targeting. SHH will also review previous exploration data to assist targeting of the mineralised horizon along strike where drilling has not been conducted previously. Reconnaissance work and sampling is required around the mapped syncline, as well as regional reconnaissance.

Box Hole Project

The Box Hole Project (EL32419) covers an area of 127km sq located approximately 250 kilometres northeast of Alice Springs in the Northern Territory (Figure 1).

The project is prospective for large tonnage carbonate-hosted lead-zinc deposits of the Mississippi Valley Type (MVT). Examples of this type of deposit in Australia include the Cadjebut and Blendevalle Mines near Fitzroy Crossing in Western Australia.

Genetic models of MVT mineralisation involve oxidised basinal metalliferous brines migrating up basin margin growth faults and precipitating sulphides into favourable permeable and chemical lithological traps, such as carbonates, graphitic shales and dolostones. The model is illustrated in Figure 5.

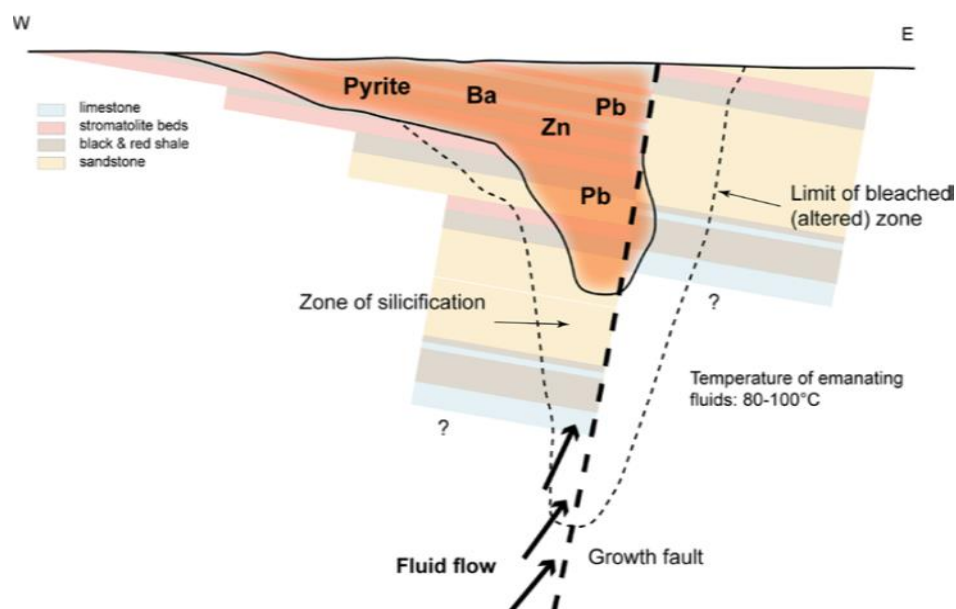


Figure 5. Genetic model for MVT deposits.

Box Hole is centred on the King's Workings that were mined by hand in the 1960's for galena. 15 tonnes of galena with an average grade of 66% Pb, 58.5g/t Ag and 0.43% Bi was hand-picked and sold to the Broken Hill Smelter¹.

The Pb-Zn mineralisation is hosted by a mixed carbonate and shale sedimentary sequence within the Georgina Basin (Figure 1). The mineralisation is generally associated with silicified dolostone containing **gossans that extend for over 6km** in a north-south orientation parallel

to faulting and anticlinal hinges (Figure 6). The faults could represent the growth faults that have acted as conduits for hydrothermal fluids derived from the basin.

The project has been explored by a variety of companies since its discovery. The most significant exploration program was completed by Uramet Minerals in 2007-9 comprising various IP and gravity surveys, geochemical surveys and shallow drilling. Uramet conducted RAB drilling of only selected gravity and IP targets, interpreted to be less than 75m deep. The best intersection was: (For related results see Appendix 1)

**12m at 2.8% Zn, 0.67% Pb from 17m in HDB045¹
Includes 1m @ 14.7% Zn, 0.3% Pb from 24m.**

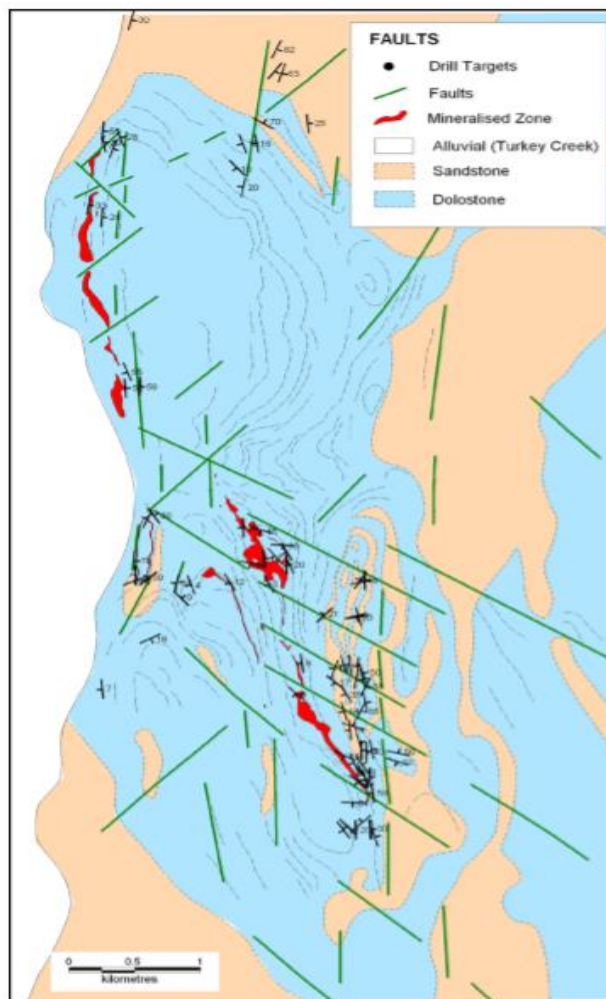


Figure 6. Geological plan of the Box Hole project area (Penna 2009).

There are several strong deep IP anomalies that were not RAB drilled by Intercept (Uramet)⁹. The IP anomalies provide significant target positions, especially those that were considered too deep by Intercept Minerals. Several IP anomalies are coincident with regional faulting (possible growth faults), adding weight to their prospectivity. The IP anomalies may represent mineralisation leakage from a more substantial mineralising system or significant mineralisation proximal to an unknown growth fault, as illustrated in Figure 5.

Next Steps:

Processing and modelling of the gravity and IP data, using modern filtering and processing techniques will refine target areas. Following target generation, close spaced soil sampling, followed by drilling of the high priority coincident gravity, IP and geochemical anomalies is highly recommended. Shree intends to update the review of the project and to assist with the generation of targets for follow up work and drill testing.

Bruce Gold-Copper Project

The Bruce Gold Project covers an area of 127 km sq and is located 94 kilometers east of Harts Range. It can be accessed via the Plenty Highway north of Alice Springs (Figure 1).

Rock chip sampling of gossanous quartz veins at the project by the Northern Territory Geological Survey (NTGS) returned grades of up to 53g/t Au⁶. Rock chip sampling by Roebuck Resources in 1996 also produced very anomalous assays, illustrated in Figure 9¹⁰.

The veins are hosted by a mixed rock sequence including mica schist, calc-silicate and amphibolite that form part of the Irindinia Gneiss. The veins are related to an east-west striking and south dipping shear zone. Prospecting along the veins by Olympia Resources in 2005 located intermittent exposures of the gossanous quartz veins over a 2km strike length⁶. A literature review found little evidence of previous exploration. The veins have a brecciated texture containing clasts of mica schists, sulphidic sediment, and massive sulphides. Copper staining of the rocks is common, illustrated in Figure 7. Typical outcrop of the quartz gossan veins is shown in Figure 8.



Figure 7. Malachite in gossanous veins at Bruce's Prospect; samples from here yielded 1.9g/t Au and 1.6% Cu. (563990E, 7474581N).

Figure 8: Outcropping gossanous quartz veins at Bruce's Gold Prospect.

A soil sampling program by Olympia identified a low-level gold anomaly that indicated soil sampling was only partially effective at delineating the mapped mineralised veins. Follow up drilling targeted the soil anomalies rather than the mapped quartz veins returning only narrow intervals of gold mineralisation (For related results see Appendix 1). Additional work was recommended, especially to the east, to include the area of Roebuck's rock chip sampling illustrated in Figure 9, but was not conducted. Olympia's drill collars, rock chip sampling assays and soil survey is illustrated in Figure 9.

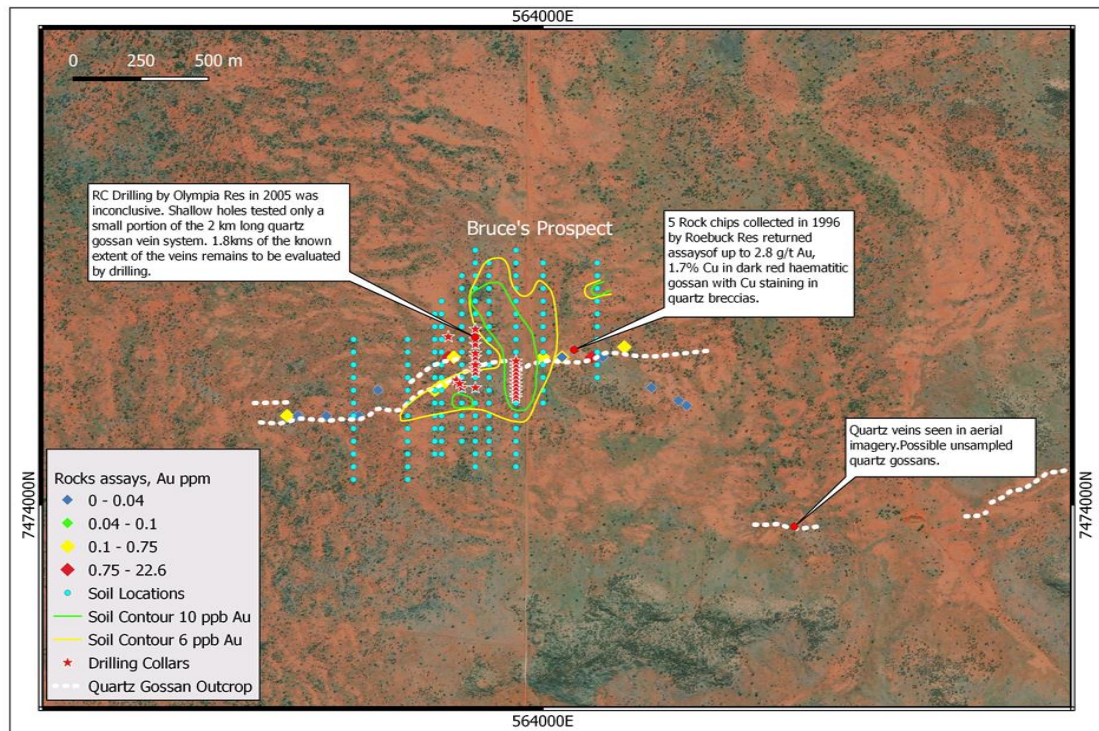


Figure9. Olympia's soil geochemistry contours (Au, ppb) and rock chip geochemistry, (Au, ppm). Also shown are Olympia's drill collars. Aerial photo image.

Next Steps.

Regional aerial imagery interpretation by Shree has identified several other quartz veins throughout the project area, illustrated in Figure10. Field reconnaissance is required to determine if these veins have the same gossanous characteristics seen at Bruce's Prospect.

Ultra-fine soil sampling is a relatively new and inexpensive technique that has had success in identifying anomalous geochemistry in areas of transported soil cover. Ultra-fine soil sampling may identify a much longer and substantial mineralised halo. Alternatively, auger or RAB drilling to collect meaningful geochemical samples is well suited to the desert sands.

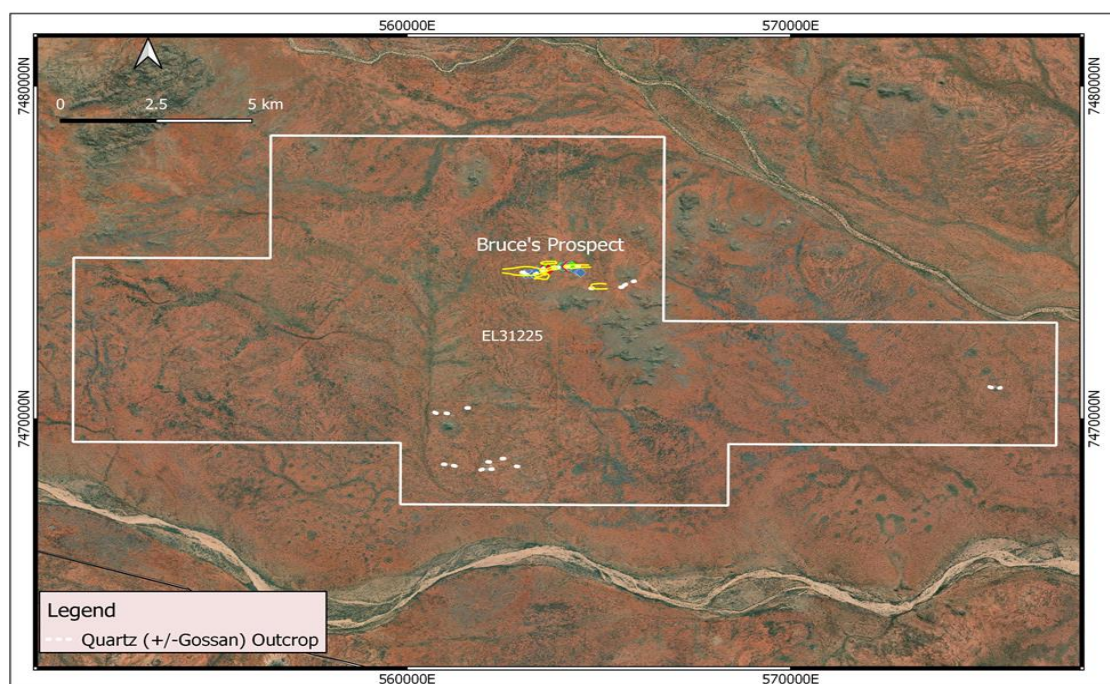


Figure10. Shree has identified several other unsampled quartz veins throughout the project area. Image is the aerial photo of the very large exploration licence.

References

- ¹ Penna, P. 2009. EL22537 Annual Technical Report Box Hole Base Metal Project. Uramet 2009.
- ² Davenport Resources Pty Ltd (ASX:DAV) announcement 28th March 2018: Maiden gold-copper resource announced for Johnnies Reward, NT.
- ³ KGL Resources Pty Ltd (ASX:KGL) announcement 18th May 2018: KGL upgrades mineral resource at Jervois copper project.
- ⁴ CRA ML426H Drill hole logs Edwards Creek. Unpublished NT Open File Report CR1983/80.
- ⁵ Hussey, K. et al. 2006. Geology and origin of some Cu-Pb-Zn (Au-Ag) deposits in the Strangways Metamorphic Complex in the Arunta Region, Northern Territory. NTGS Report 17.
- ⁶ Baxter, J. 2005. Olympia Resources Limited. Reconnaissance mapping and soil sampling at Bruce's Copper prospect EL9851, Northern Territory. Unpublished NT Open File Report CR2005/275.
- ⁷ Territory Exploration Pty Ltd. EL30779. 2018. Annual Technical report, Strangways project.
- ⁸ Mackie, A. 1996. EL9164. Annual Report Edwards Creek. Pasminco Exploration Ltd. Unpublished NT Open File Report CR19960720.
- ⁹ Herbison, I. 2013. Final report EL28825. Box Hole for the period April 2012 to April 2013. Intercept Minerals. Unpublished NT Open File Report.
- ¹⁰ Warne, S.B. 1996. Surface sampling and Preliminary assessment Report of the Molyhill Project Area for the period ended Jan. 1996. Roebuck Resources NL. Unpublished NT Open File Report CR19970066.
- ¹¹ Central Mining and Exploration Services. 2005. EL9851. Bruce's prospect drilling report, October 2005. Olympia Resources Company Report. Unpublished.

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 exploration and mine development company including being engaged in mining and production of iron ore and dense media magnetite at its Nelson Bay River Iron Project in the north-western Tasmania and Gold exploration at its Golden Chimney Project in Western Australia.

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

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APPENDIX 1. HISTORICAL DRILLING RESULTS.

CRAE Exploration Program at Edwards Creek.

CRAE drilled the Edwards Creek Gossan in 1980 and 1981. The program consisted of 2 angled diamond drill holes for 240.9m, illustrated in figure 4. All assays were analysed by fire assay. Drilling was designed to evaluate the topographically prominent Edwards Creek Gossan, where CRAE had previously received very anomalous base metal geochemistry⁴. All reported anomalous intercepts are shown in the table below, as reported by CRAE.

Territory Exploration's Program at Edwards Creek.

Territory Exploration drilled the Edwards Creek Gossan in 2017. The program consisted of 2 angled RC holes for 448m. All assays were analysed by fire assay. Drilling was designed to evaluate the topographically prominent Edwards Creek Gossan, and a reported coincident SKYTEM anomaly. Hole locations are illustrated in Figure 4. Unfortunately, the holes intersected a wide clay filled shear zone. Ground water in the shear was considered to be the source of the conductor. Shree considers the source of the strong conductor at Edwards Creek is not adequately explained by the water filled shear zone. It is possible the conductor exists above and/or below the cross-cutting shear zone. The gossan remains open down dip and along strike.

All reported anomalous intercepts are shown in the table below, as reported by Territory Exploration.

Drill hole	Northing	Easting	Azimuth	Dip	Total Depth (m)	From	To	Intersection (m)	Grade
DD80EC01	7455305	400336	280	-60	121	44.28	62.88	18.6	0.22% Cu, 0.17% Pb, 0.49% Zn
DD81EC02	7455163	400278	280	-60	119.9	47.45	51.9	4.5	2.25% Cu, 0/11% Pb, 1.54% Zn, 0.14 g/t Au
Drill hole	Northing	Easting	Azimuth	Dip	Total Depth (m)	From	To	Intersection (m)	Grade
RC01	7455216	400357	325	-60	198	104	111	7	0.14% Cu, 0.91% Zn
RC02	7455228	400435	320	-65	250	177	178	1	0.12% Cu

Uramet Minerals' Exploration Program at Box Hole.

Uramet explored the Box Hole tenement from 2006 – 2014. Uramet conducted RAB drilling of selected gravity and IP targets during 2009. Only IP anomalies interpreted to be less than 75m deep were targeted. 94 RAB holes were drilled for a total of 4,155 metres. Mineralisation was generally associated with silicified dolostone. A high correlation was also noted between Pb/Zn mineralisation and Ba. All reported anomalous intercepts are shown in the table below, as reported by Uramet Minerals Limited.

Drill hole	Northing	Easting	Azimuth	Dip	Total Depth (m)	From	To	Intersection (m)	Grade
HDB001	7530398	579396	0	-90	51	1	3	2	3.98% Pb, 2.8% Zn
HDB002	7530403	579445	0	-90	67	6	7	1	0.18% Pb, 3.55% Zn
HDB003	7530400	579494	0	-90	49	1	2	1	0.48% Pb, 2.66% Zn
HDB005	7529903	579029	0	-90	60	50	51	1	0.22% Pb, 1.56% Zn
HDB015	7530148	579578	0	-90	70	3	5	2	0.43% Pb, 3.12% Zn
HDB021	7530649	578662	0	-90	45	37	39	2	2.26% Pb, 0.39% Zn
HDB022	7530414	578611	0	-90	52	29	30	1	2.61% Pb, 0.31% Zn
HDB045	7527860	580249	0	-90	49	17	29	12	0.67% Pb, 2.8% Zn
HDB079	7532402	578423	0	-90	52	11	16	5	1.0% Pb, 3.21% Zn
HDB091	7527699	580198	0	-90	61	38	39	1	0.59% Pb, 4.94% Zn
HDB093	7528013	580220	0	-90	43	8	11	3	0.31% Pb, 1.57% Zn
HDB093	7528013	580220	0	-90	43	16	17	1	0.22% Pb, 2.5% Zn

Olympia Resources' Exploration Program at Bruce's Prospect.

Olympia Resources identified a low-level gold anomaly at the Bruce's Prospect in 2006. A programme of 24 reverse circulation holes for 1273 metres was completed. Hole collars and soil geochemistry contours are illustrated in figure 9. Average hole depths were 53m. Drill assays returned only narrow, low grade intervals of gold mineralisation. All samples were dissolved by aqua regia acid and ICP-MS analysis for Au, Cu, Pb, Zn. Best assays from the program are tabulated below.

Drill hole	Northing	Easting	Azimuth	Dip	Total Depth (m)	From	To	Intersection (m)	Grade
BCRC021	7474630	563750	180	-60	80	17	19	2	0.2 g/t Au, 560 ppm Cu
BCRC023	7474690	563750	180	-60	72	19	20	1	0.39 g/t Au, 250 ppm Cu