



SHREE MINERALS LTD

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Two Highly Prospective Tenements for Copper and Lead-Zinc Granted in the Northern Territory

- **Confirmations of grant received for the two Mineral Exploration Licences in the Northern Territory**
- **The Licences form part of the highly prospective Arunta Joint Venture**
- **Edwards Creek is a copper project with similarities to the Jervois and Johnnies Creek projects**
- **Previous drilling at Edwards Creek intersected 4.5m at 2.25% Cu, 0.11% Pb, 1.54% Zn, 0.14 g/t Au from 47.45m**
- **Box Hole is a lead-zinc project with similarities to the Cadjebut and Blendevale Mines near Fitzroy Crossing in Western Australia**
- **Shallow RAB drilling at Box Hole intersected 12m at 2.8% Zn, 0.67% Pb from 17m in HDB045**
- **Following grant of the Exploration Licences Shree intends to reprocess geophysical data and review lithostructural controls on mineralisation prior to drilling**

Shree Minerals Ltd ("Shree" or the "Company") is pleased to announce that it has received a confirmation of grant for two Mineral Exploration Licence applications (EL32419 and EL32420) from the Northern Territory Department of Industry, Tourism and Trade.

The projects form part of the Arunta Joint Venture (Figure 1) between Shree Minerals and Territory Lithium Pty Ltd covering an area of ~380 square kilometres in the highly prospective Arunta Region in the Northern Territory (refer to SHH ASX announcement 30th June 2020).

The Arunta Joint Venture gives the Company exposure to an additional highly prospective mineral terrane in addition to the projects held in the West Australian Goldfields and the Lachlan Fold Belt in New South Wales. Following grant of the Exploration Licences Shree intends to commence exploration studies including reprocessing of geophysical data and a review of the lithostructural controls on mineralisation prior to drilling.

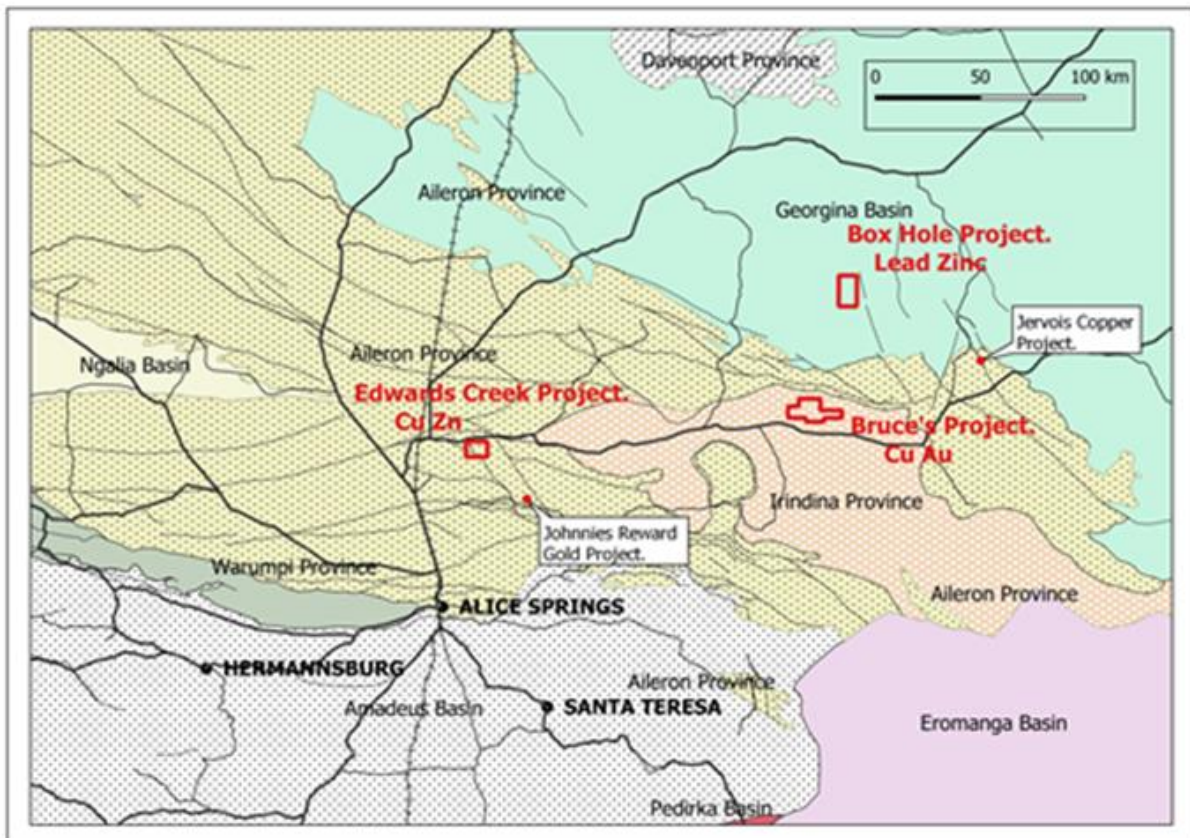


Figure 1. Regional location of the Arunta Joint Venture projects and major resource projects in the region

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 24km to the southeast where Davenport Resources (ASX:DAV) reported an Inferred Mineral Resource of 2.2Mt @ 1.4g/t gold equivalent¹. The mineralisation also has similarities to the Jervois Copper Project where KGL Resources reported a resource of 25.2Mt @ 1.53% Cu, 29.2g/t Ag².

In 1980, CRAE identified an EM conductor associated with a prominent siliceous gossanous hill shown in Figure 2-3. Rock chip sampling of the gossan returned up to 0.64% Cu, 0.64% Pb, 1.28% Zn³. 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 similar to the Jervois Copper deposit discovered by KGL Resources. Better historic results include

**4.5m at 2.25% Cu, 0.11% Pb, 1.54% Zn, 0.14 g/t Au from 47.45m³
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 Exploration⁴ drilled two RC holes (RC01 and RC02) testing a SKYTEM anomaly near the CRAE diamond holes, illustrated in Figure 4.

Local mapping by Pasminco⁵ 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.

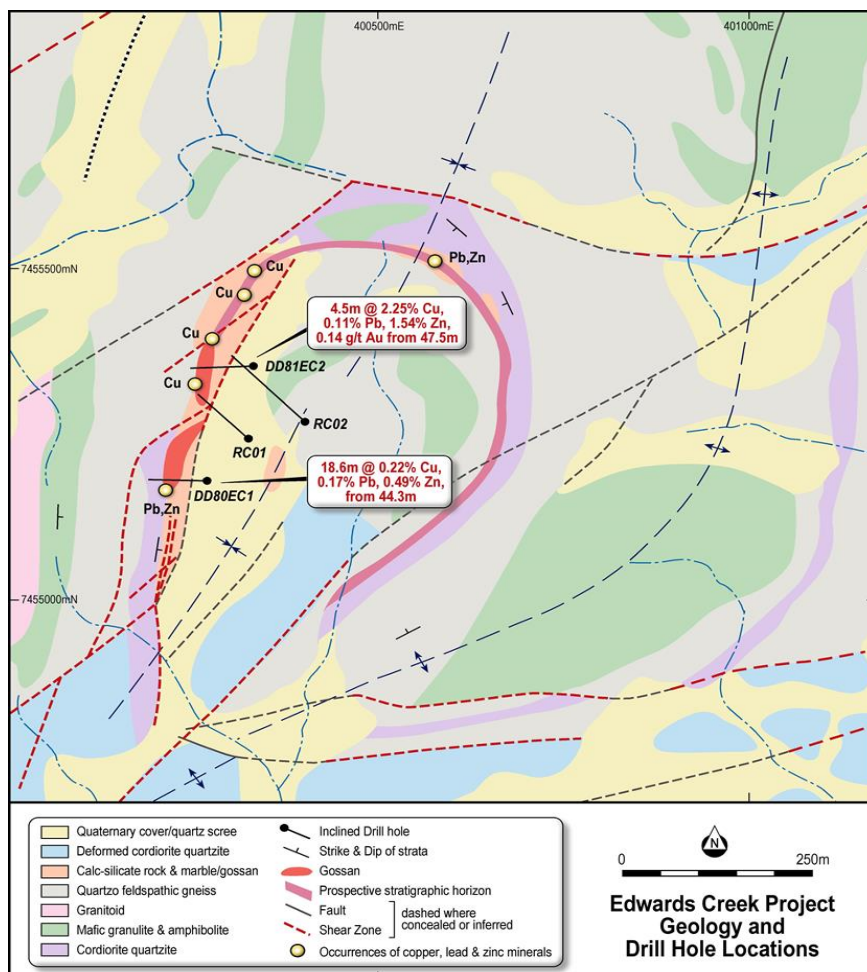


Figure 4. Local geology and drill hole locations.

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 work⁴. 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.

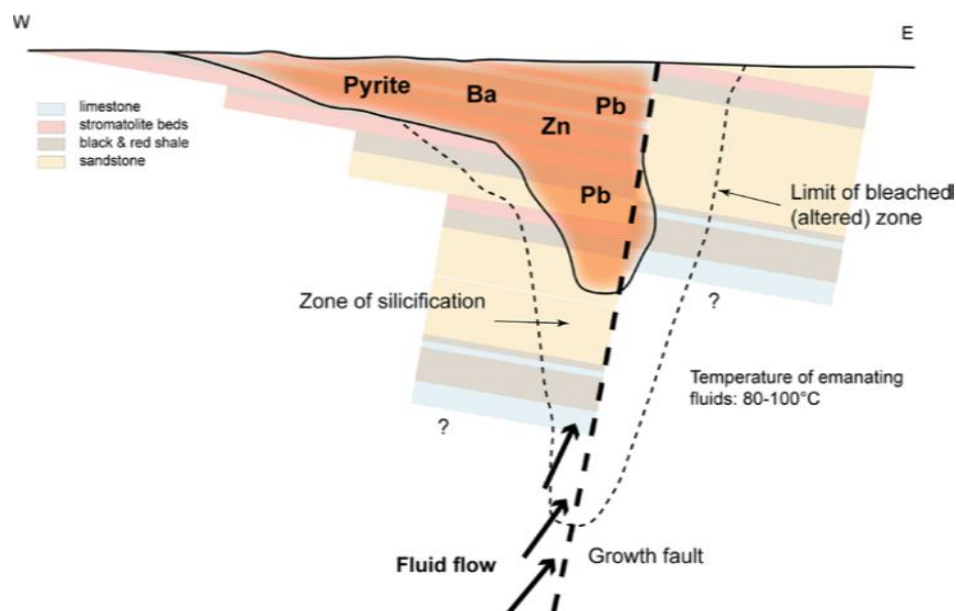


Figure 5. Genetic model for MVT deposits.

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 Smelter⁶.

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 HDB045⁶
Includes 1m @ 14.7% Zn, 0.3% Pb from 24m.**

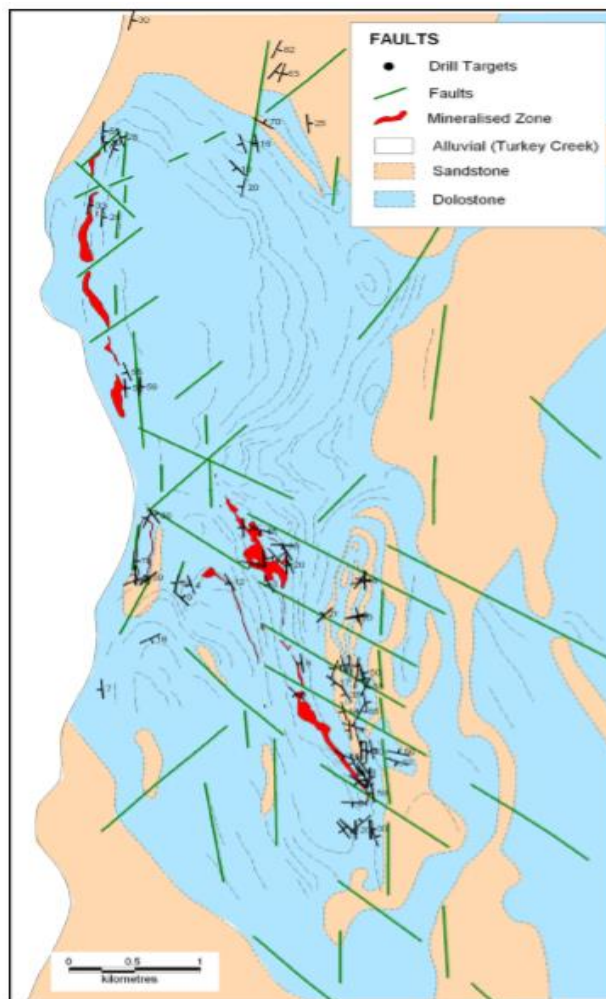


Figure 6. Geological plan of the Box Hole project area (Penna 2009).

There are several strong deep IP anomalies that were not RAB drilled by Intercept (Uramet)⁷. 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.

References

- ¹ Davenport Resources Pty Ltd (ASX:DAV) announcement 28th March 2018: Maiden gold-copper resource announced for Johnnies Reward, NT.
- ² KGL Resources Pty Ltd (ASX:KGL) announcement 18th May 2018: KGL upgrades mineral resource at Jervois copper project.
- ³ CRA ML426H Drill hole logs Edwards Creek. Unpublished NT Open File Report CR1983/80.
- ⁴ Territory Exploration Pty Ltd. EL30779. 2018. Annual Technical report, Strangways project.
- ⁵ Mackie, A. 1996. EL9164. Annual Report Edwards Creek. Pasminco Exploration Ltd. Unpublished NT Open File Report CR19960720.
- ⁶ Penna, P. 2009. EL22537 Annual Technical Report Box Hole Base Metal Project. Uramet 2009.
- ⁷ Herbison, I. 2013. Final report EL28825. Box Hole for the period April 2012 to April 2013. Intercept Minerals. Unpublished NT Open File Report.

Cautionary Statement

- The Exploration Results for Box Hole and Edwards Creek 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
- 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.
- For a summary of the work programs on which the Exploration Results quoted in this announcement are based refer to *Shree Minerals Ltd (ASX:SHH) announcement 30th June 2020: Farm-in and joint venture with Territory Lithium Pty Ltd to explore for gold and base metals*

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.