



SHREE MINERALS LTD

ASX Announcement
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Fieldwork commencing in preparation for drilling at Golden Chimney

- **Field work in preparation for the upcoming RC drilling program at Golden Chimney is commencing this week.**
 - **A cultural heritage survey is being conducted.**
 - **Drill rig access tracks and drill pad clearing are being undertaken.**
- **Tenders for drill contracts have been received and the selection process is nearing completion.**
- **Program of Work (POW) approval from the WA Mines Department has been received.**

Shree Minerals Ltd (“Shree” or the “Company”) is very pleased to advise that in preparation for the planned drilling, the statutory surveys and field work are commencing this week at its Golden Chimney project, exploration licence E40/378.

A cultural heritage survey is being completed. Other field work being done includes the preparation of drill sites, sumps and access tracks.

Additionally, tenders for drill contracts have been received and the selection process is nearing completion.

The approval of the Program of Work (POW) from the WA Mines Department has been received.

It is envisaged that drilling will commence in next few weeks.

Previous fieldwork and auger sampling by Shree (see ASX reports dated 20th August 2019 and 6th August 2019), have identified outstanding coherent multi-element geochemical anomalies at both Golden Chimney West and Golden Chimney East. Altered felsic volcanic rocks at Golden Chimney West are anomalous in Au, Bi and Ag. Previously unknown old gold workings were found at the Golden Chimney East gold and arsenic anomaly. Sampling of the mullock dumps returned assays up to 30 g/t Au.

GOLDEN CHIMNEY PROJECT

The project occupies an area of 65.4km² and is located 40km south of Leonora, within the prolifically mineralised Leonora Geological Terrain (Figure 1). Significant gold deposits in the area include the Sons of Gwalia Gold mine (1.9 Moz Au in reserve at a grade of 7.5 g/t Au), the King of the Hills Mine (resources of 380,000oz Au), Tower Hill (625,000oz Au in resources) and Ulysses (760,000oz Au in resources).

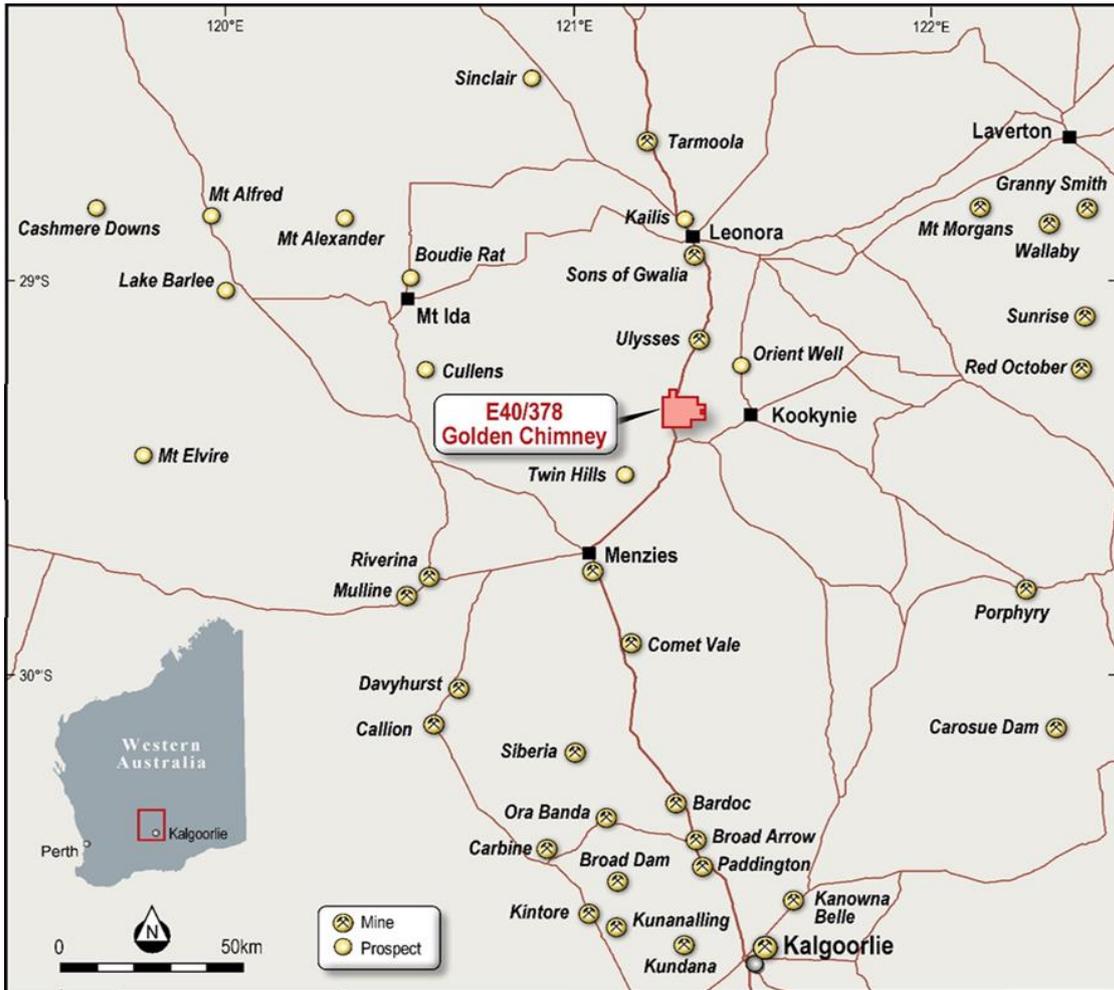


Figure 1. Regional location of the Golden Chimney Project, E40/378.

Discussion of recent activity by Shree.

Shree's recently completed auger exploration programs (2) consisted of 1309 shallow, vertical auger holes using a 4WD mounted auger drill rig. Assays returned strong Au anomalism in several auger holes with grades up to 65 ppb Au supported by multi – element (Cu, As, Bi,) geochemistry.

These assays have allowed the company to review and confidently plan drilling programs and provide a better understanding of the geological controls on gold mineralisation.

Figure 2 illustrates the geochemical soil contours derived from the completed auger traverses. Coherent near-surface gold anomalism is located over mostly mafic and felsic rocks as interpreted from aeromagnetic images and geological mapping. Aerial magnetic anomalies are coincident and parallel to geochemical contours, adding further weight to the validity of the geochemical anomalies.

Only the Golden Chimney prospect, illustrated in figure 2, has been drilled by previous workers.

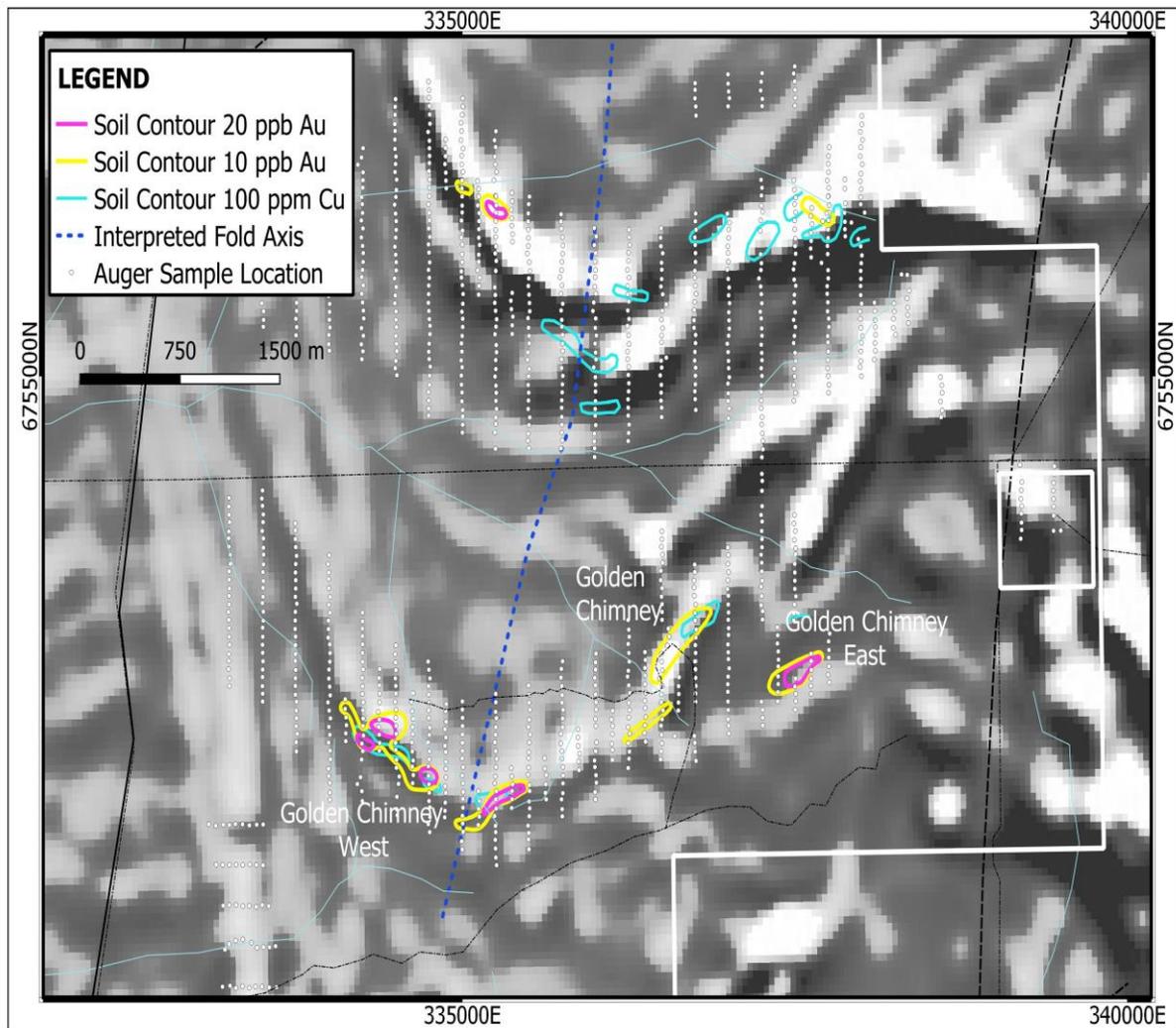


Figure 2. Multi-element (Au, Cu) soil contours derived from Shree's auger program. Also illustrated is the location of all auger samples and the interpreted position of the regional fold axis. The underlying image is the aerial magnetics.

Golden Chimney West and Golden Chimney East Prospects.

At the **Golden Chimney West Prospect** (see Figure 3), the main north westerly orientated 10 ppb Au contour is 900m long and is coincident with anomalous multi element geochemistry including As, Cu and Bi. Anomalous geochemistry extends to the east around the fold axis into a north easterly orientation. Anomalous geochemistry then extends for a further 600m on the east limb of the fold axis, as illustrated in Figure 2. Four separate areas are outlined by the very anomalous 20ppb Au geochemical contour and where individual soil assays up to 60 ppb Au and 5.7 ppm Bi have been received. These areas represent **significant drill targets**.

Historical rock chip assays up to 15 ppm Au have been recorded at Golden Chimney West. (see Figure 3). Fieldwork by Shree located outcropping altered, NW-SE striking felsic volcanic rocks. Alteration consisted of excess silica, chlorite, epidote and opaques. Significantly, this rock assayed 25 ppb Au and occurs within Shree's geochemical contours.

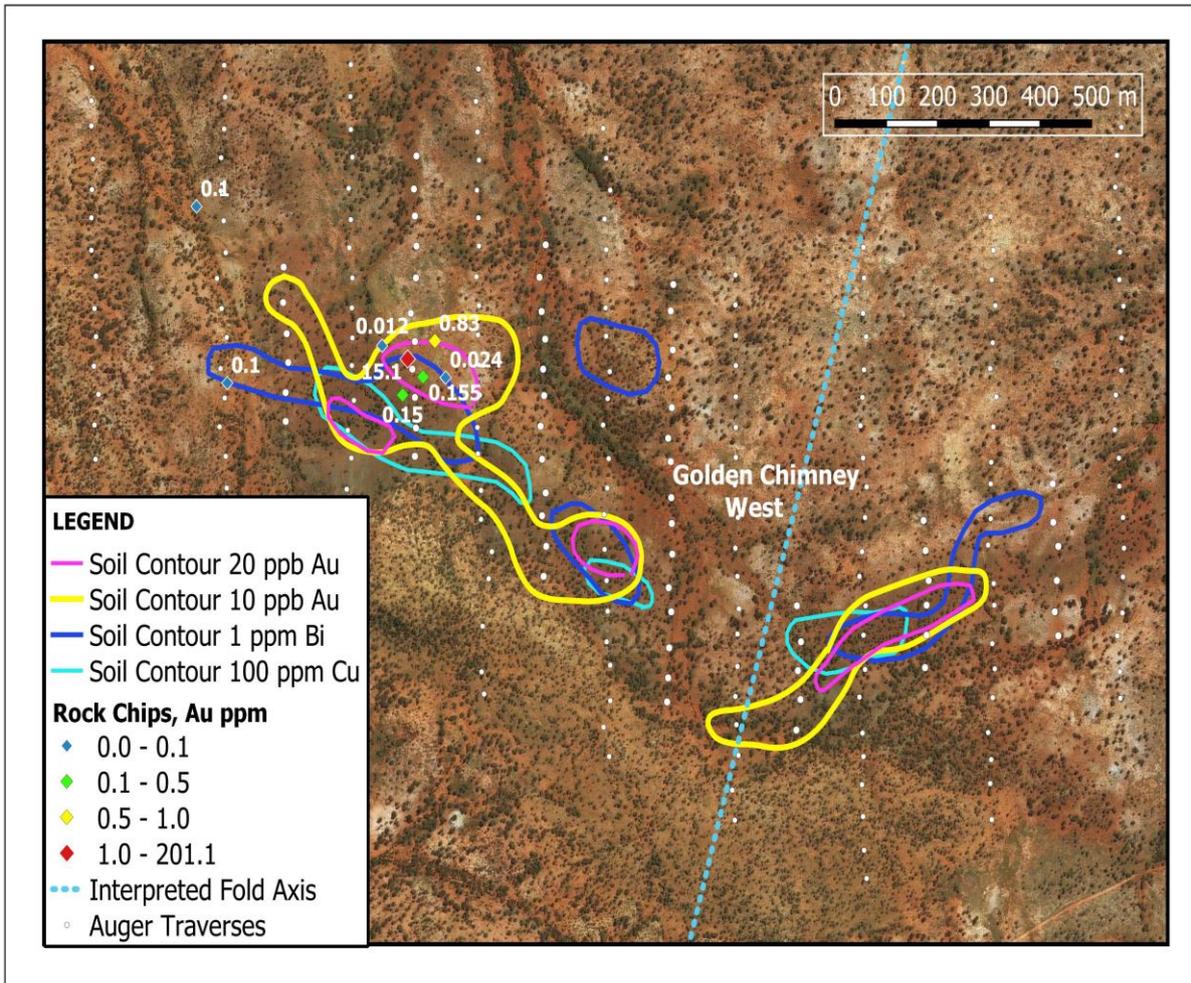


Figure 3. Golden Chimney West multi element geochemistry contours on the aerial photo. Auger sample locations are also shown. Four separate areas are outlined by the very anomalous 20ppb Au geochemical contour. Within these areas individual soil assays up to 60 ppb Au and 5.7 ppm Bi have been received.

A coincident Au, Bi, Cu and As geochemical auger anomaly has been identified at the **Golden Chimney East Prospect** (Figure 4). Within the 20 ppb Au soil contour, individual soil assays up to 38 ppb Au and 104 ppm As have been received. Figure 2 illustrates the regional location of Golden Chimney East.

Fieldwork by Shree located previously unknown old prospecting gold workings (see insert in Figure 4). Several rock chip samples were collected from the old mullock dumps and assays up to 30.5 g/t Au were received. The geochemical anomaly containing the old workings is at least 400m long in a NE SW direction. **It represents an exception drill target.**

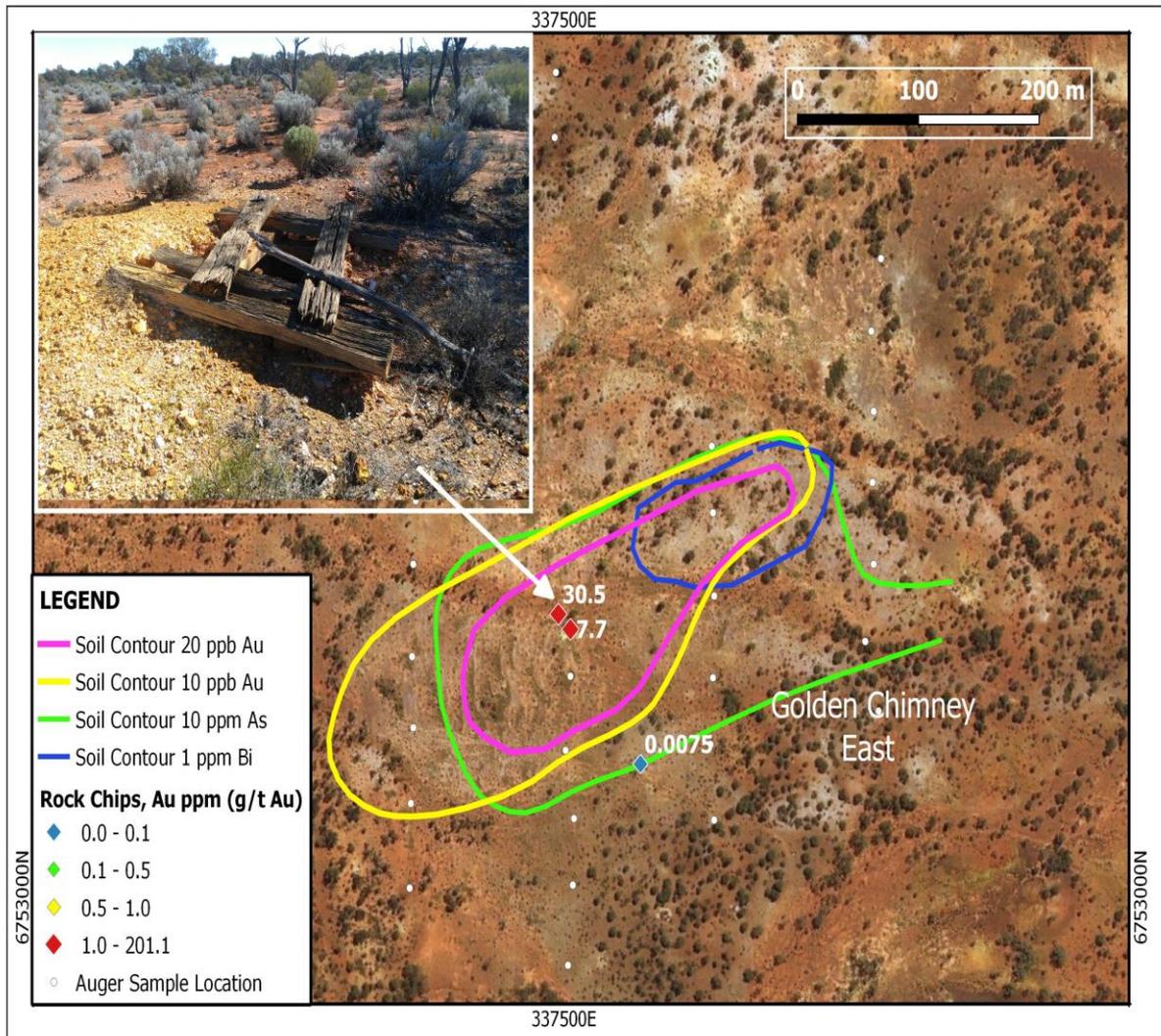


Figure 4. Golden Chimney East showing multi element geochemical contours. Auger sample locations are also shown. Photo insert shows the location of an old gold working and its proximity to the geochemical contours. Rock chip assays up to 30 g/t Au were received from sampling the mullock around the working. Within the 20 ppb Au soil contour, individual soil assays up to 38 ppb Au and 104 ppm As have been received.

Next Steps

Drilling of the defined targets phase. As discussed above, the company is nearing completion of the planning for drilling of the targets discussed in this and previous announcements. The drill program will consist of RC drilling of up to 10 -12 holes to depths of approximately 150 m. The approval of the Program of Work (POW) from the WA Mines Department has been received and it is envisaged that drilling will commence in next few weeks.

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.

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.

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