



SHREE MINERALS LTD

ASX Announcement
7th January 2022

Sale and Purchase Agreement signed with MetalsGrove Mining Ltd over Arunta Joint Venture

ASX Code SHH

ACN 130 618 683

COMPANY DIRECTORS

Sanjay Loyalka
**Director and
Company Secretary**

Amu Shah
**Non-Executive
Director**

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**Non-Executive
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Shree Minerals Limited (ASX: SHH, Shree or the Company) advises that the Company has executed a Sale and Purchase Agreement (SPA) with MetalsGrove Mining Ltd (MGM) for the divestment of its rights, title and interest in the farm-in and joint venture and shareholder agreement (JV Agreement) (Arunta Joint Venture) with Territory Lithium Pty Ltd.

The projects of the Arunta Joint Venture are the Box Hole, Edwards Creek and Bruce Gold Projects located in the Northern Territory (Figure 1). The tenements subject to these are EL 31225, EL32419 and EL32420.

In consideration for the acquisition of SHH's rights, title and interest in the Arunta Joint Venture, MGM will make a cash payment of \$50,000 to SHH and issue to SHH 4,750,000 fully paid ordinary shares (MGM Shares) in the capital of MGM at a deemed issue price of \$0.20 each.

The SPA is subject to conditions precedent, including MGM being satisfied with its due diligence investigations, conditional approval being obtained from the Australian Securities Exchange (ASX) to admit the securities of MGM to trading on the official list of the ASX and necessary regulatory approvals or waivers pursuant to the ASX Listing Rules, Corporations Act 2001 or any other law to allow the Parties to lawfully complete the matters set out in the SPA.

At present, SHH does not intend to conduct an in-specie distribution of the MGM shares but notes that SHH shareholders will retain exposure to MGM while SHH holds the MGM Shares, which may be subject to ASX escrow upon the listing of MGM.

The sale of the Company's interest in the Arunta Joint Venture allows the Company to focus its efforts on its existing high priority exploration projects in NSW and Western Australia and the recommencement of production and shipping of iron ore from its wholly owned Nelson Bay River Iron Ore Project in Tasmania.

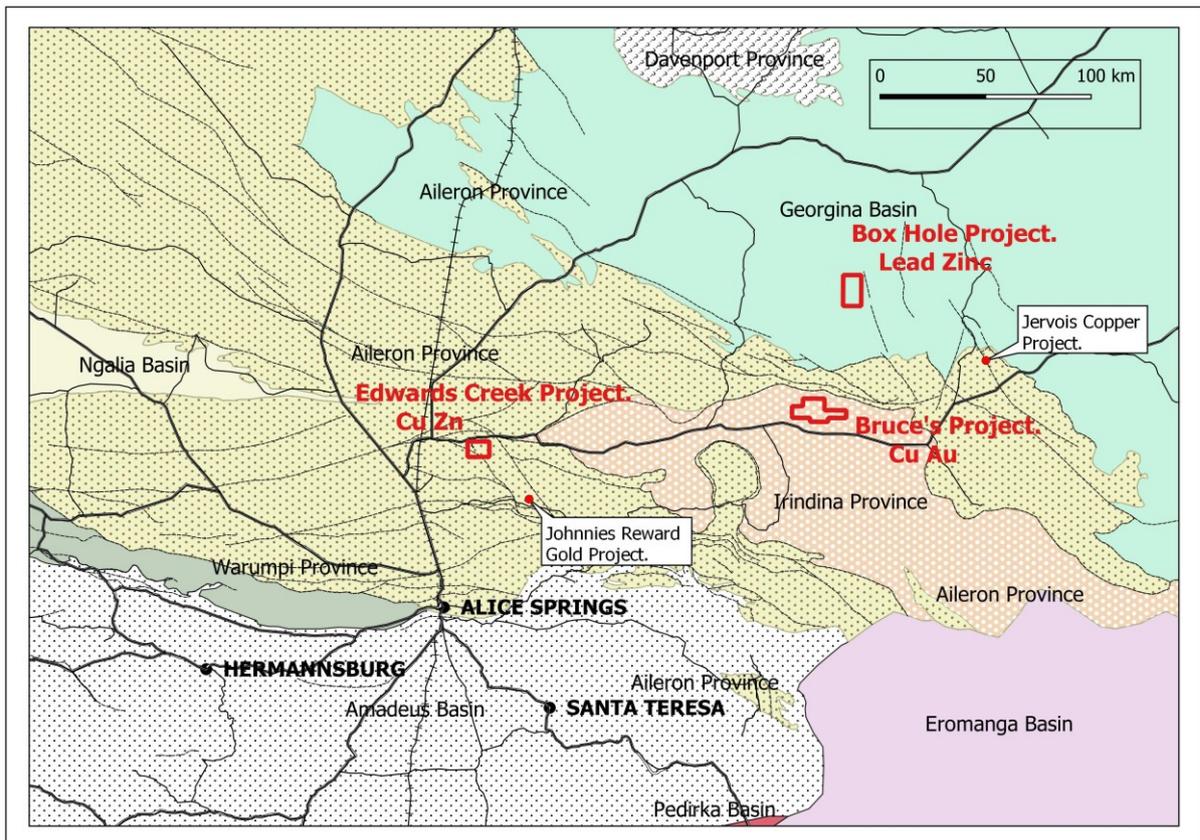


Figure 1. Regional location of the Arunta Joint Venture projects and major resource projects in the region

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.

About MetalsGrove Mining Limited

MetalsGrove Mining Limited is a public unlisted company that was incorporated with a view, to pursuing copper gold, lithium, manganese, and base metal projects in highly prospective regions in Australia. MGM is currently pursuing a proposed IPO on the ASX in 2022.

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