

Shree Minerals Limited

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Shree Minerals' drilling focuses on DSO resource upgrade and extension

Shree Minerals (ASX: SHH) has outlined a 3,500 metre drilling program for its Nelson Bay River (NBR) Iron Project targeting an upgrade in the confidence, as well as an extension, of the direct shipping ore (DSO) resources and reserves.

Drilling is now set to begin in early December 2012, with the company having finalised arrangements with a replacement drilling contractor.

Shree also plans to undertake geotechnical studies of the proposed mine area.

Importantly, Shree is adequately funded to carry out the next phase of exploration at the NBR Project with around A\$2.6 million cash at the end of the September quarter 2012.

A 3D Magnetic Inversion study was aimed to assist planning of the 2012 drilling program as well as get a better understanding of the likely continuity of the main magnetic anomaly from north to south within the NBR tenement.

The study is based on aeromagnetic data from Mineral Resources Tasmania.

The 3D magnetic inversion model suggests continuity between the Main Body (Northern Anomaly) and the South Anomaly but with in-between areas of non-magnetic material that could be oxide mineralisation.

The modelling indicates substantial continuation at depth of the magnetite-bearing ultramafic dyke.

Recently, Shree has focused on work to support statutory approvals besides shallow drilling in the Northern Anomaly area to support a "Project startup".

The potential target for the resource increase along strike to the Southern Anomaly and at depth is considered substantial and will be gradually progressed by Shree.

Milestones to production

In mid-September Shree was granted a mining lease by the Tasmanian Government for its NBR Project.

More recently, the company defined maiden reserves of 330,000 tonnes at 57.4% iron for the project, based on a mine plan of two years.

The production schedule for the first two years comprises the mining of DSO iron ore, which requires no further beneficiation to produce a marketable product, and only needs crushing and screening.

Price: \$0.01

Market Cap: \$3.95 m

1 Year Share Price Graph



Share Information

Code: SHH

Listing: ASX

52 week High Low
0.0165 0.005

Sector: Mining

Website: www.shreeminerals.com

Company Synopsis:

Shree Minerals Ltd (ASX:SHH) is listed on the Australian Securities Exchange.

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Two separate DSO pits are planned in the first two years, comprising the DSO South Pit and the DSO North Pit which is within the BFO resources.

This is based on the two pits of about 815,000 tonnes of DSO ore at a grade of 57.5%.

The company plans to mine the DSO first followed by BFO material, and then the magnetite resource.

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