

EL42/2008 – Mt Sorell

Proposed Work Program 2013.

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**For Shree Minerals Ltd.
December 4th, 2012**

Summary

Shree Minerals Ltd (the Company) seeks approval for exploration work on EL42/2008 (Mt Sorell), which is planned to be undertaken from February, 2013. Exploration within the tenement primarily targets VHMS systems.

The company plans to undertake gridding and soil sampling, extending the existing 4.8km grid with ~4.3km of new grid (Figure 2). This is aimed to better define and extend known Zn and Cu soil anomalism. The existing grid requires cleaning up to facilitate geophysical follow up, incorporating at least IP (conventional gradient array and dipole or 3d IP) and magnetics as well as possibly gravity and EM. These surveys are planned with the view to generating drill targets for the following summer (2014).

Introduction

During early May 2012, Shree Minerals Ltd. undertook grid based soil sampling, geological reconnaissance mapping and rock chip sampling targeting an open Zn in soils anomaly, coincident with an aeromagnetic anomaly (Figure 2) in the Clark Valley during 2012. The existing grid comprising 16 (of the original 21 planned) lines of 325m length were cut and in part re-opened by Gujerat in 2006. At the time due to corporate reasons no soil sampling was undertaken. Shree Minerals soil sampled this grid in June 2012 and identified strong vectors to potential VHMS mineralisation.

The tenement is located in western Tasmania, south of Queenstown (Figure 1) and is primarily accessible via helicopter or on foot from a 4-wheel drive track accessing the South Mt Darwin area, immediately east of the tenement. Helicopter supported field work will be undertaken by Shree from the existing Clark Valley Camp. Timing of the survey work is late February through March 2013. All necessary equipment and supplies will be sling loaded to the camp, which is located on a patch of button grass on the 2006 grid baseline, in the SSE of the tenement.

All activities are to be undertaken within the guidelines outlined in the Mineral Resources Tasmania's Mineral Exploration Code of Practice. All equipment will be washed down prior to mobilisation to minimise the threat of phytophthora infection.

An emergency exit track connects from the Clark Valley grid to the South Mt Darwin area. This was not relocated during the 2012 trip. The field crew walked out making a route from the 5700N line, and up onto the southern end of the South Mount Darwin Plateau. This walk took approximately 4.5 hours.

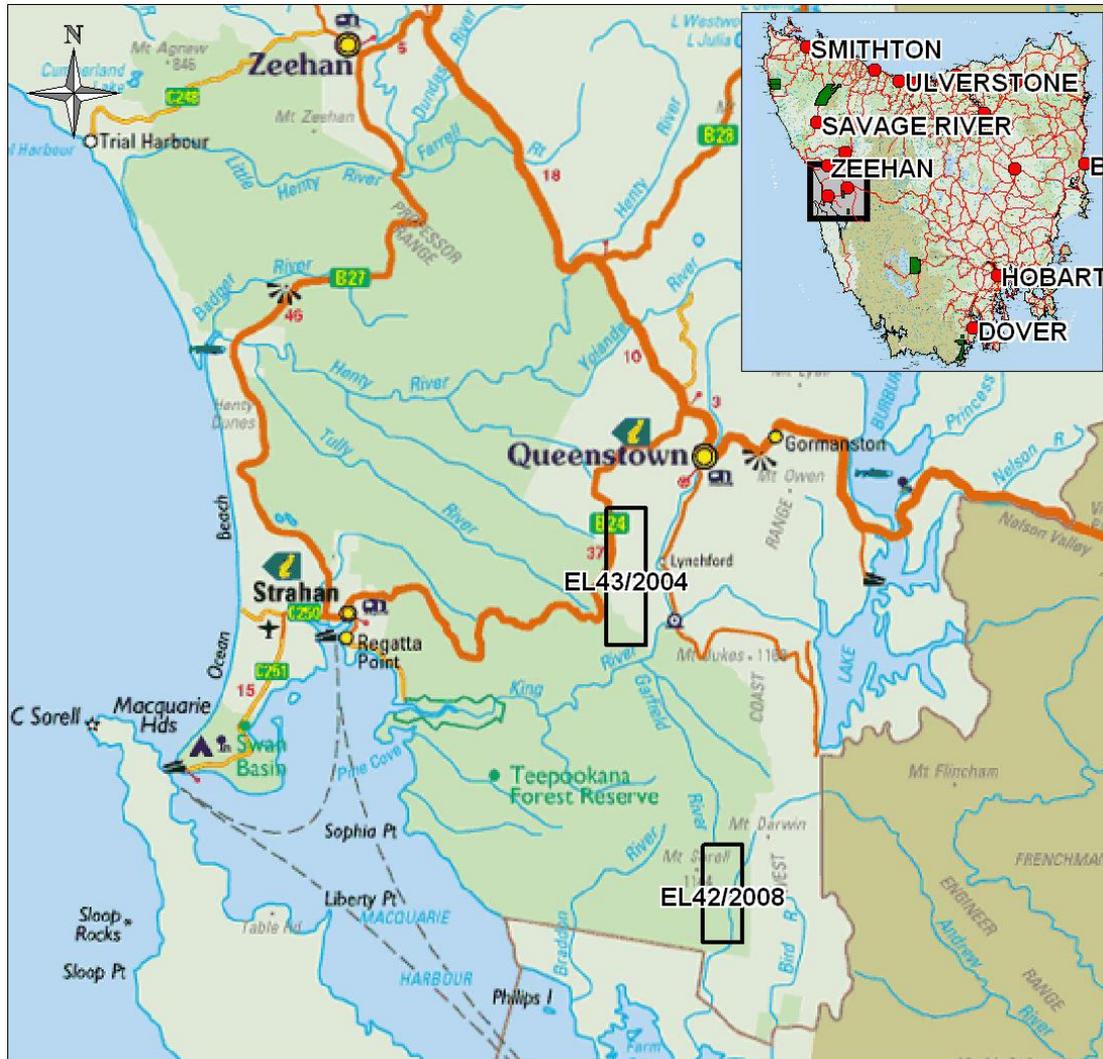


Figure 1: Location of EL42/2008 – Mt Sorell.

Targeting Rationale and Work Program

The proposed work is required to further define vectors to mineralisation and generate drill targets for 2013/14 in the vicinity of the Clark Valley Zn in soils anomalous grid area. In the present proposal soil sampling is planned on a 4.3km grid extension (Figure 2) which covers a potential mafic (VHMS) horizon northward extension and structural repeats in the vicinity of a strong regional magnetic high. This work is to be accompanied by low impact geological reconnaissance mapping, rock chip and stream sediment sampling within the grid and broader tenement area. Some clearing of the existing partly overgrown 4.8km grid is planned to facilitate a ground magnetics survey covering both existing and new grid. These grids are subsequently planned (2013/14) to be geophysically evaluated for VHMS systems via 3D IP, and possibly gravity and EM techniques.

The 2012 soil sampling program has highlighted coherent vectors to VHMS style mineralisation, being likely focused in the CZA area, but potentially along the strike length of the Zn in soils (and mafic unit) anomaly. The target is likely a Zn-Pb rich VHMS system; a poorly conductive target which has not responded strongly to EM for other Mount Read Volcanics hosted VHMS areas. Potential also exists to target conductive VHMS mound base and stringer Cu-rich mineralisation. The later may respond to conventional EM, but an IP survey targeting disseminated sulphides will most likely result in anomaly definition. 3D IP is suggested, which will also return resistivity (the inverse of conductivity). If a 3D IP crew cannot be obtained then conventional gradient array with select lines of dipole-dipole sections will be utilised instead.

Camp Refurbishment

The camp comprises an ~5 by 3m garden shed on a rapidly deteriorating treated pine/marine ply base with a 1000 litre water tank attached. Further palletes and ply sheet to replace the weathered originals are required. Similarly the water tank needs plumbing to the roof to collect rainwater. The nearest water is >100m distant.

Inside the shed is a table and a small shelf unit with various supplies left from the 2006 gridding. Supplies include basic kitchen equipment (pots, pans, plates, cutlery etc), but no gas cooker was left on site. Much of the food stuff left behind was inedible and was bagged up for removal during June 2012.

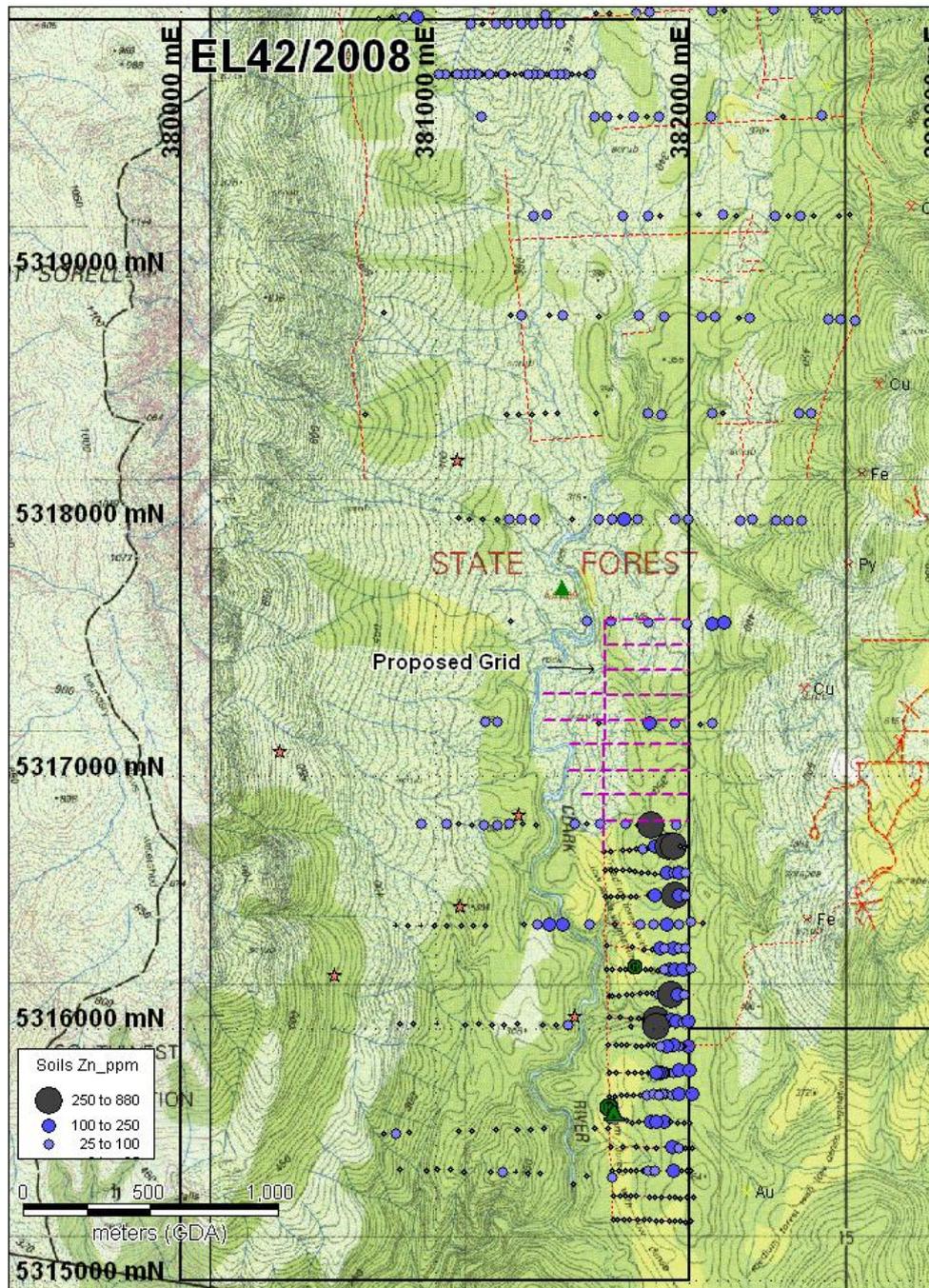


Figure 2: Location of the Clark Valley Grid (EL42/2008) in relation to 1:25,000 topography, overlain by a RGC Zn in soils thematic with planned new grid in purple (GDA94).