

SHREE SHREE MINERALS LIMITED

23rd May 2014

The Manager Companies
Company Announcements
Australian Securities Exchange
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000
Dear Sir

Nelson Bay River operations update

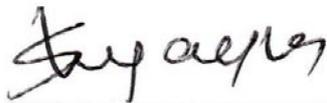
The company provides an operational update for its 100% owned Nelson Bay River iron ore project ("NBR") in Tasmania.

The company's quarterly activities report for the quarter ended 31 March 2014 detailed shipped iron ore volume of 86,448 tonnes. This volume was comprised of two shipments with the second shipment being despatched on 30 March 2014. The receipts from product sales for the second shipment were predominantly received in early April 2014 and these funds were thus not included in the company quarterly cash-flow report for the quarter ended 31 March 2014. The next shipment is expected to commence loading at port towards the end of May 2014.

Mining operations at NBR have progressed well and have operated at targeted rates during the quarter ended 31 March 2014. As previously advised, ore transportation rates to port have been below targeted levels. This has resulted in a build of ore product stocks on site at NBR awaiting transportation to port. The company is currently working with relevant stakeholders to improve transportation rates in the short term. At current transportation rates, the company expects to continue to make shipments approximately every six to eight weeks. Mine scheduling has been adjusted, and will continue to be adjusted where required, to deliver an efficient balance through the company's ore supply chain.

While the company believes recent iron ore price declines are not reflective of medium term market fundamentals and expects the demand to continue to grow in the Asian markets, it is taking steps to optimise costs under prevailing market conditions.

Yours sincerely



Sanjay Loyalka
Chairman

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