

**SHAW RIVER
RESOURCES LTD**

ASX SYMBOL: **SRR**

ABN 85 121 511 886

708 Murray Street,
West Perth
Western Australia 6005

PO Box 1259
WEST PERTH WA 6872

Phone +61 8 9226 4455
Fax +61 8 9226 4255

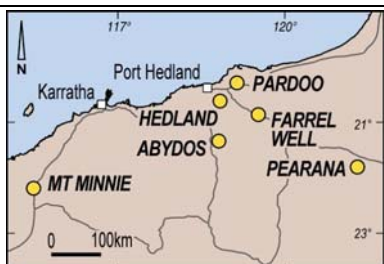
www.shawriver.com.au

CONTACTS

Mr Vincent Algar
Managing Director

Projects (100%)

- Farrel Well – East Pilbara : gold, nickel , zinc-lead-copper-silver
- Mt Minnie – Ashburton : uranium, gold, zinc-lead-copper-silver
- Hedland – East Pilbara : gold, zinc-silver
- Abydos – Central Pilbara : tin, tantalum, nickel
- Pardoo – East Pilbara : gold, zinc-copper, nickel
- Pearana – Far East Pilbara : copper, gold



HIGHLIGHTS FOR THE QUARTER

Farrel Well – Gold and Base Metals

- High grade rock chip sample results with outcropping mineralisation at Coongan prospect along a 120m trend.
- High grade copper (7%) and gold (6.5g/t) from rock chip samples in gossans at Myrna's Hill prospect.
- Six new base metal drill targets identified from surface sampling and detailed mapping.

Mt Minnie Project –Uranium and Base Metals

- Successfully completed heritage survey over Mt Minnie to allow uranium exploration drilling to proceed over palaeochannel targets in September 2007.

Corporate

As at 30 June 2007, Shaw River has \$4.0m dollars in cash available.

PLANS FOR THE SEPTEMBER QUARTER 2007

- Base metal drilling at Coongan (1000m RC), Pear Creek (500m RC) and Hedland (3000m Aircore) in July and August 2007.
- A 200km² VTEM (Vertical Time-Domain Electromagnetic) survey at the Farrel Well and Hedland projects to take place in August 2007 is expected to generate further drill targets.
- A September 2007 drilling program at Mt Minnie will focus on identifying roll front uranium mineralisation similar to the nearby 12,000t U₃O₈ Manyingee uranium deposit.

1. FARREL WELL PROJECT (SHAW RIVER 100% - Gold, Nickel, Base Metals)

“A 1500m RC drill program over two separate base metal targets will commence in July 2007”

The Farrel Well gold and base metal project 100km SE of Port Hedland was the main focus of Shaw River’s activity during the March quarter. The project geology and previous exploration history indicates strong potential for gold, base metal and nickel mineralisation. The company has identified geological conditions similar to those found at the Sulphur Springs zinc-copper project (CBH Resources), the Turner River base metal project (De Grey Mining) and the Radio Hill/Whundo nickel and base metal project (Fox Resources) elsewhere in the Pilbara.

A total of 436 rock chip samples, 597 soil samples and 317 stream sediment samples were analysed at Farrel Well during the quarter. Sample coverage of the 742km² project area was increased from 20% to 30%, with six new targets identified.

Coongan Base Metal Prospect

The company completed detailed mapping and additional sampling at the historic base metal mine at Coongan Siding during the quarter, ahead of the July 2007 drilling program.

Exploration has identified an exploration target to be drilled which extends for 120m along a NE strike, is up to 5m wide in places and will initially be drilled to a depth of 100m. Shaw River has taken 14 rock chip samples over the outcropping felsic breccia that characterises the mineralisation envelope. The best values from these samples currently include **32 g/t silver, 13% lead and 0.7% zinc**. Historical bonanza grades of up to 40% lead and 200g/t of silver have been reported from the historical small scale mining operation.

The copper, zinc and lead prices remained strong during the quarter, with lead passing through 15 year high values.

Shaw River’s characterisation of the outcrop is ongoing and will include the use of a number of geochemical and geophysical techniques including VTEM and hyperspectral data. Understanding the known mineralisation will assist the company when following up the other promising base metal targets located throughout the project area.

Other Base Metal Prospects

Numerous other prospects showing gossanous outcrop with strong base metal affinities have been identified by Shaw River and previous explorers. (See Figure 1 – Farrel Well prospect map) These additional prospects have recently been mapped in detail to improve drill targeting. The planned VTEM survey will cover all the new base metal prospect locations.

Rock chip sampling results thus far include;

- 7 % copper and 6.5 g/t gold in gossan from the Myrna's Hill prospect.
- 35 g/t silver, 1.8 % lead, 0.7 % zinc, 3.4 % copper and 0.4 g/t gold from the Chrome Diopside prospect.
- 24 g/t silver, and 0.6 % lead and 0.7 % copper from the Fordor prospect.
- 1.5 % copper and 0.6 g/t silver from the 28 South prospect.

Plans for the September Quarter 2007

Exploration in the third quarter 2007 will focus on drill testing key base metal (zinc-lead-copper-silver) prospects across the 742 km² Farrel Well project area, specifically at Coongan, Pear Creek, Chrome Diopside, Myrnas Hill, 28 South, Fordor and Edsel. Detailed geological mapping has identified prospective felsic and ultramafic rock sequences with associated gossan development at these locations. These rock sequences are commonly associated with the development of VHMS base metal deposits.

A 200 km² VTEM survey over Farrel Well is planned for the quarter. There has been significant recent success using the VTEM system in identifying quality base metal drill targets elsewhere in the Pilbara, by Fox Resources, Legend Mining, Segue Resources, and De Grey Mining. Follow up drill testing will take place following the completion of the survey.

2. HEDLAND PROJECT (SHAW RIVER 100%- Gold and Base Metals)

“A 3000m RAB drilling campaign will commence early August 2007 targeting gold and base metals along 14km of strike.”

Shaw River's tenements at the Hedland project 42 km south east of Port Hedland (see Figure 2) host the extension of the Tabba Tabba Shear Zone, including a narrow greenstone sequence of felsic volcanics, ultramafic rocks and cherts. The belt contains a cluster of VHMS style base metal occurrences located on the adjacent De Grey Mining Ltd ground to the south west. The De Grey system covers an area of 20km in strike and was first discovered through application of soil sampling and RAB drilling. Detailed geophysics show the greenstone belt extending under shallow cover onto the Shaw River tenements for up to 14km of strike.

De Grey Mining has recently released additional results on its base metal occurrences on this trend, supporting extensive mineralisation containing zinc-silver-copper-gold along strike and downdip from existing intersections.

A 3000m RAB Drilling program will take place on the undercover extensions of the Tabba Tabba Shear Zone in early August 2007. The 106 hole program will test the location, composition and width of the zones, as well as provide critical assay information. The company is targeting shallow base metal and gold mineralisation along the trend, under 30m of cover. VTEM due to be flown in August will supplement the results of the drilling and allow immediate follow up activity.

3. Mt MINNIE PROJECT (SHAW RIVER 100% - Uranium, Base Metals)

“A 36 hole drill program over an untested section of the Mt Minnie channel in September 2007 will target roll front uranium mineralisation”

Shaw River's Mount Minnie Project, 200km SW of Karratha in Western Australia (see Figure 2), is host to sandstone channels which have potential for sandstone uranium roll front deposits similar to the nearby (7km south) Manyingee deposit owned by Paladin Resources.

Uranium exploration is currently underway in the region on the extensive palaeochannel system which can be compared to the Beverley region in South Australia. Scimitar Resources are currently drilling the Manyingee channel extension to the south west and Hampton Hill mining are drilling the Dunns/Ironstone channel to the west of Shaw Rivers' tenements. Shaw River's technical team believe the western half of its tenements are an excellent target area for deposits similar to nearby Manyingee.

In June 2007, Shaw River successfully completed a heritage survey over a portion of Mt Minnie where a 36 hole drilling program targeting uranium will take place in September 2007. The section of the channel to be drilled shows evidence of uranium anomalism in sections of the sandstone unit known to host uranium mineralisation elsewhere in the region. The NNE trending channel empties into a deep fjord-like embayment. The area is considered to have an ideal setting for uranium roll front development.

Uranium enriched granitic source rocks outcrop close to the planned drilling location on Shaw River tenements, with values up to 90ppm uranium having been identified by previous explorers. Proximity to source rocks containing leachable uranium is considered essential for roll-front uranium development.

Shaw River has identified up to three additional target locations which may host uranium on the Mt Minnie tenements. The company intends to systematically explore these targets (see Figure 3), they include:

- A portion of the Mt Minnie east channel that reported 0.015% eU₃O₈ over 1.5m from 56.6 to 58.1m in MRH002.
- At MIN036 in the Mt Minnie Channel, an anomalous radiometric target exists in a shallow sand unit and may represent a new style of uranium target in the region
- An area on tenement E08/1504, just 14km NNE of the Manyingee deposit.

The Mt Minnie area is also a target for base metal and gold mineralisation around the Turtle and Range copper-lead-silver occurrences (Jutt Holdings). Shaw River's tenements surround the mining leases and have undergone no exploration. The large 1,838 sq km granted tenement area is considerably under-explored.

4. ABYDOS PROJECT (SHAW RIVER 100% Mineral Rights - Gold, Nickel, Tantalum)

The Abydos project is located 110km by sealed road south of Port Hedland. Gossanous nickel ironstones (assaying up to 6.7% nickel in rock chip samples) and pyrrhotite (Cu Fe sulphide) occurrences have previously been reported on the project area. The close proximity of the project areas to the Wodgina tin-tantalum mine are also encouraging indicators for future exploration success. No activity took place on the tenements during the quarter. Detailed mapping of the potential nickel occurrences as well as soil sampling over the tantalum prospects will take place during the September quarter 2007.

5. PARDOO (SHAW RIVER 100% Mineral Rights - Gold, Nickel, Base Metals)

A review of the Pardoo area for base metal, nickel and gold mineralisation was begun during the quarter. The Sale Agreement with Atlas Iron allows Shaw River to re-analyse drill hole data and review detailed mapping data independently for non-iron mineral potential at a fraction of the cost required to complete new drilling. Results from this study will generate a number of new targets to be followed up during the quarter.

6. PEARANA PROJECT (SHAW RIVER 100% - Gold, Copper)

No exploration activity occurred on the Pearana Project during the June 2007 quarter.

7. CORPORATE

As at the 30 June 2007 Shaw River had cash reserves of \$4.0 million

8. SHAREHOLDER INFORMATION

As at 30 June 2007 Shaw River had 59,496,500 of shares on issue. The top 20 shareholders hold 62.6% of the issued capital of Shaw River.



Vincent Algar

Managing Director

20 July 2007

This information can be downloaded from www.shawriver.com.au

The information in this report to which this statement is attached that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Vincent Algar who is a Member of the Australasian Institute of Mining and Metallurgy. Vincent Algar is a full-time employees of the Company. Vincent Algar has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Vincent Algar consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

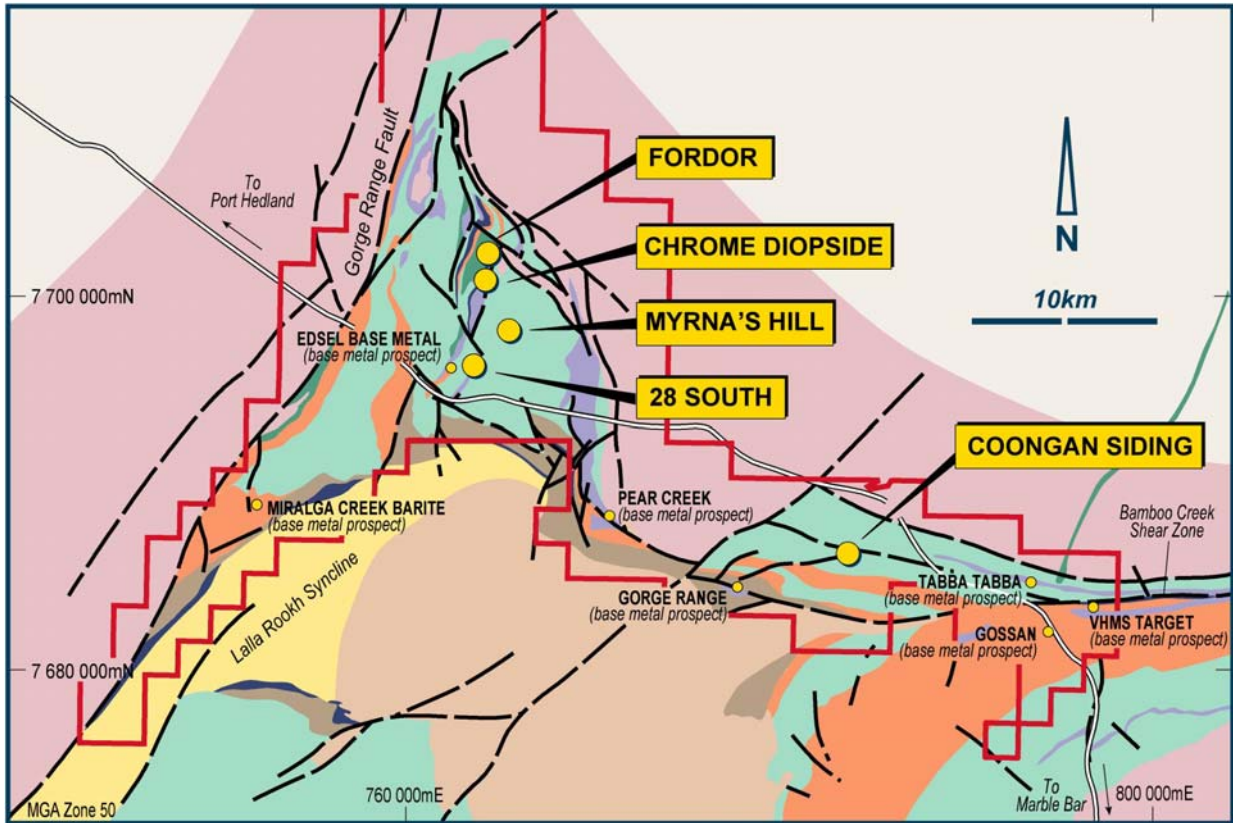


Figure 1: Farrel Well Prospect Location Plan

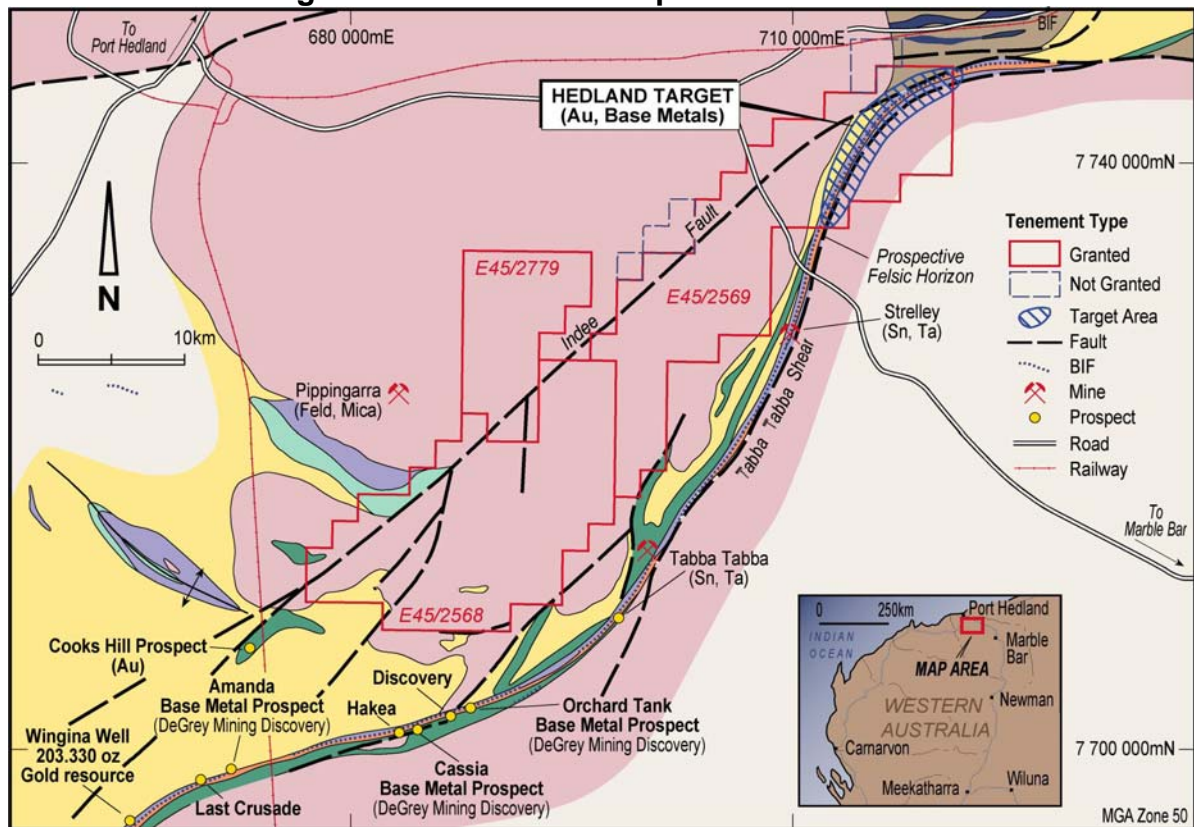


Figure 2. Hedland Project Location Plan

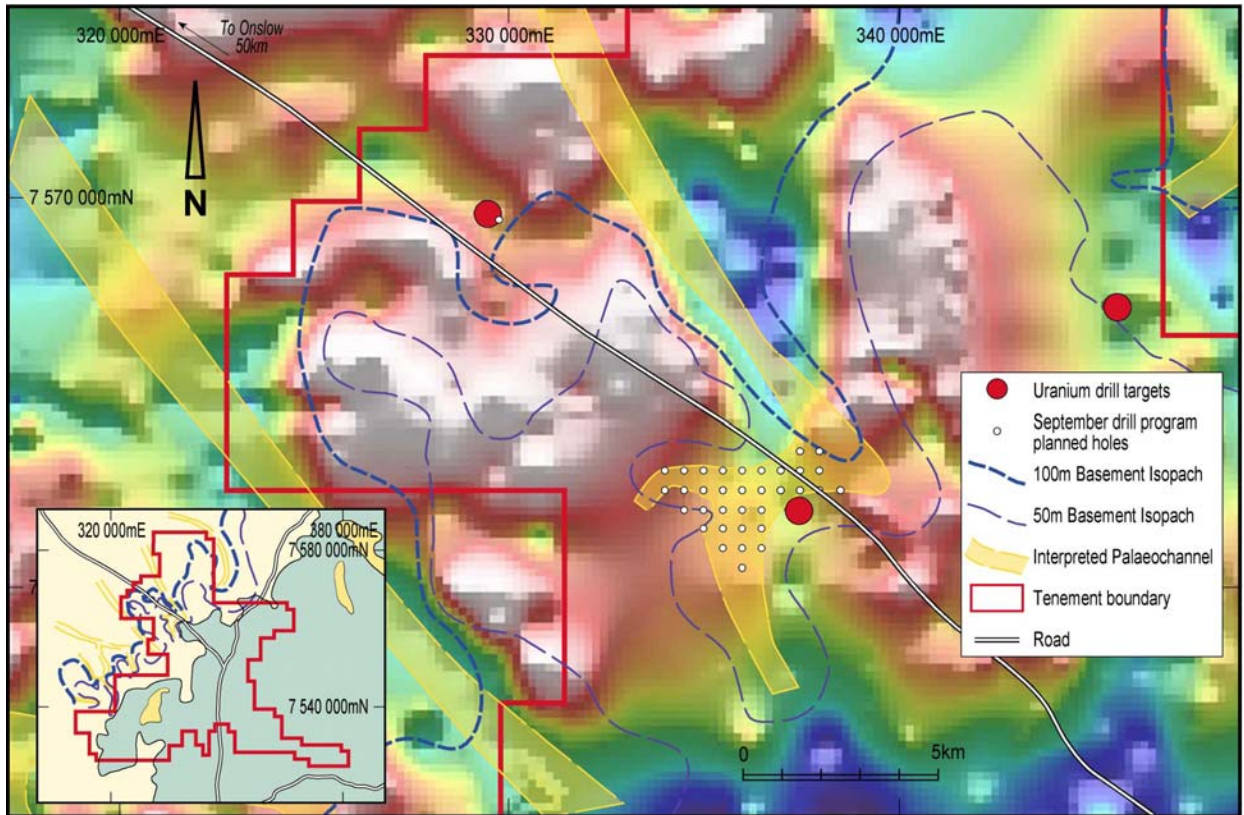


Figure 3. Mt Minnie Drill Target location plan showing gravity and Palaeochannel interpretation.