
Shaw River Resources Limited

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About Shaw River Resources

- The Company has six projects located at Farrel Well, Hedland, Mt Minnie as well as Pardoo, Pearana and Abydos in the Pilbara region, Western Australia.
- These projects cover a total area of 4,975 sq km, and are considered highly prospective for economic gold, nickel, base metals and uranium mineralization.
- The Company's plans to follow a strategy of diligent, geologically focused exploration with a major drilling component.
- Shaw River owns 100% of the mineral rights (excluding Iron) on all its tenements offering shareholders the maximum benefit from potential discovery.

HIGHLIGHTS FOR THE QUARTER

Farrel Well

Commenced planning for field activities in preparation for RC drilling at Graeme, NE Zone and Morgan Gold prospects in late January 2007.

Mt Minnie Project

Review of Cu-Au and Uranium potential of the historical data for this area was conducted along with field visit to assess operating conditions ahead of the drilling and field season planned for Q3 2007.

Corporate

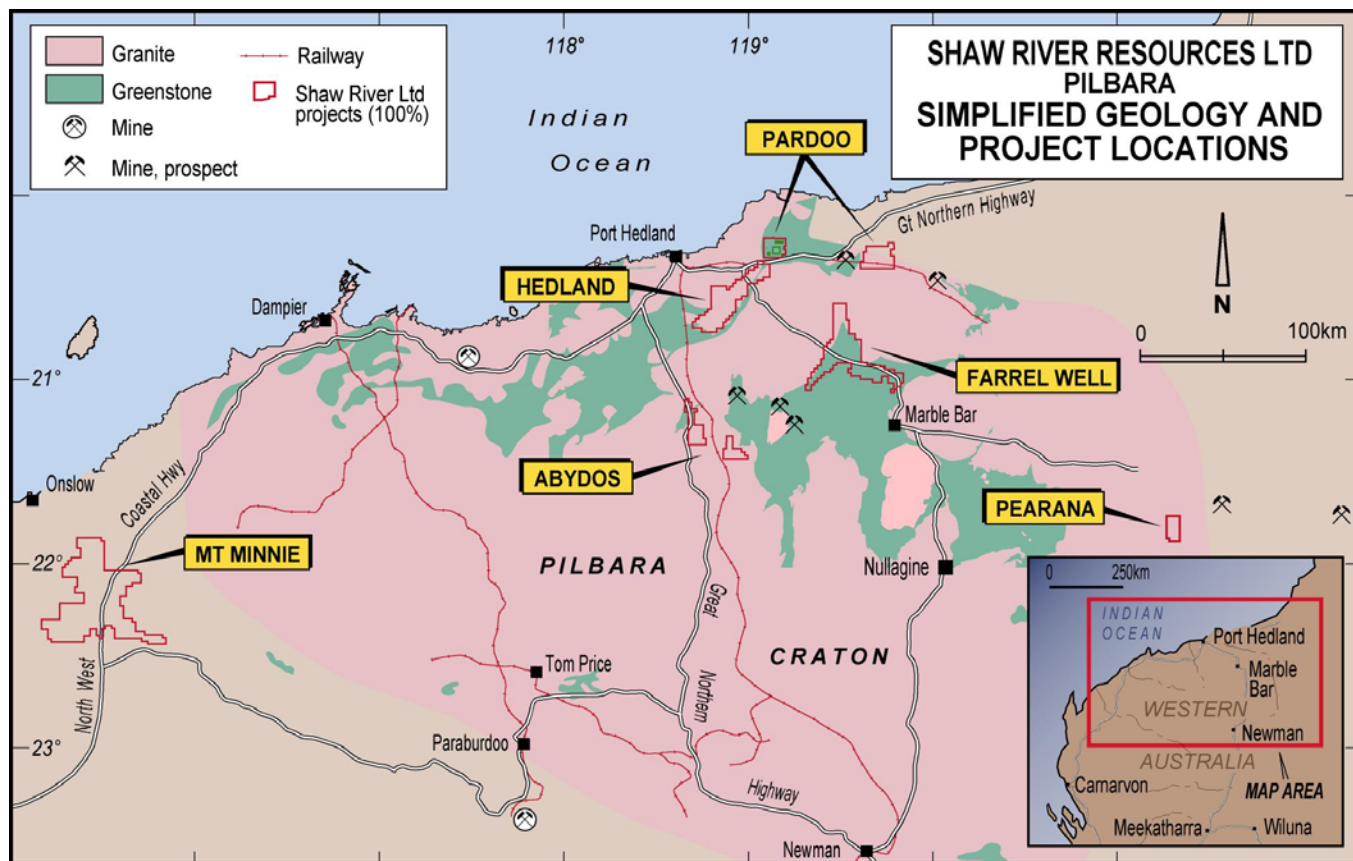
Shaw River successfully listed on the Australian Stock Exchange on 22nd December 2006. The company raised \$5.5m through the issue of 27.8m shares at a subscription price of 20 cents per share. Atlas Iron Limited was issued 22.5m shares as consideration for mineral rights and tenements in six projects.

PLANS FOR THE MARCH QUARTER 2007

1. Complete RC drilling on Gold targets at Farrel Well.
2. Review and plan Uranium and Cu-Au exploration activity at Mt Minnie.
3. Follow up drilling on Farrel Well Base metal anomalies.
4. Geophysical program planning and review for May 07 VTEM and IP Surveys over Farrel Well VHMS target horizons.

Introduction

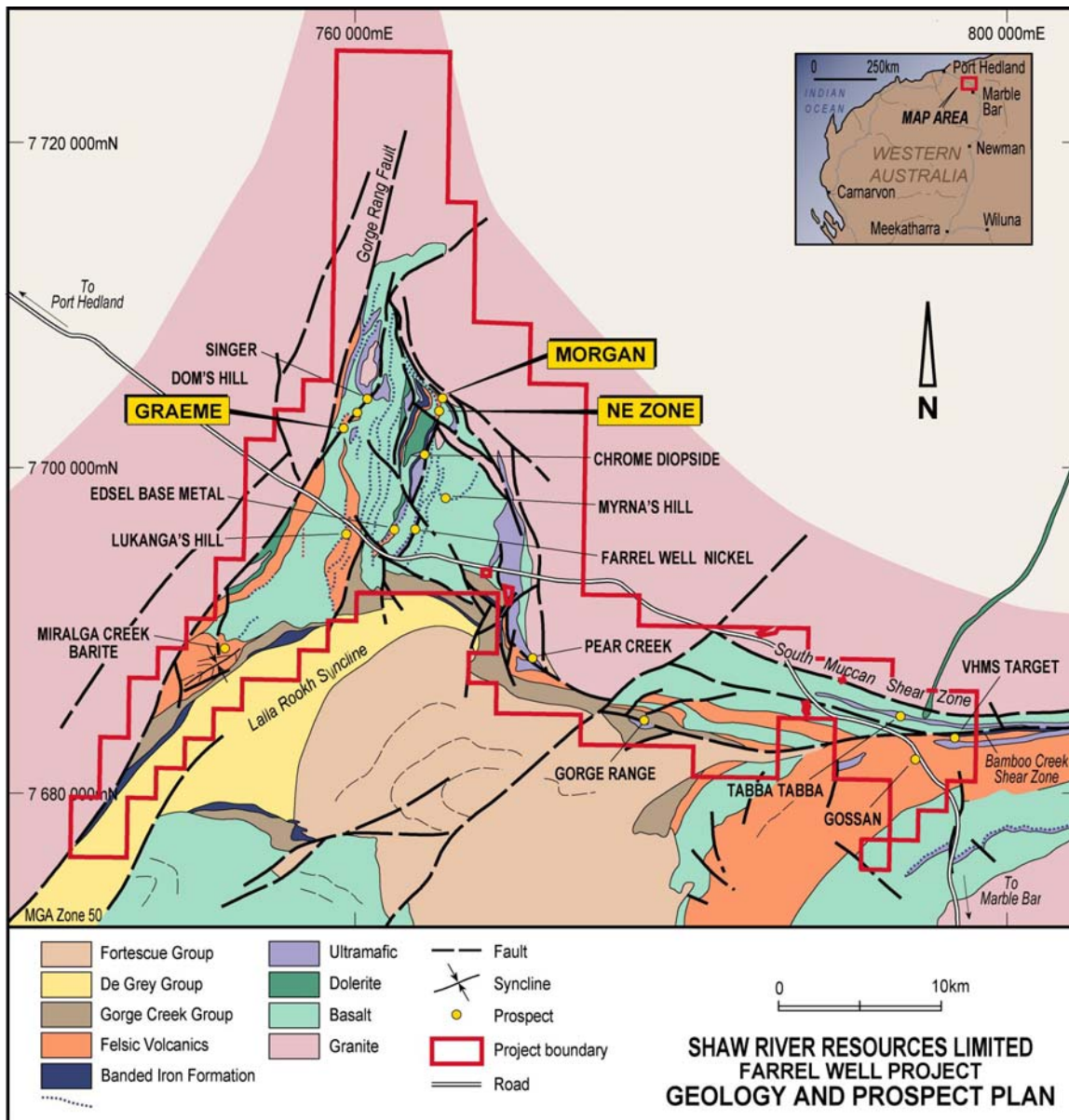
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Project Location Plan

FARREL WELL PROJECT (SHAW RIVER 100%)

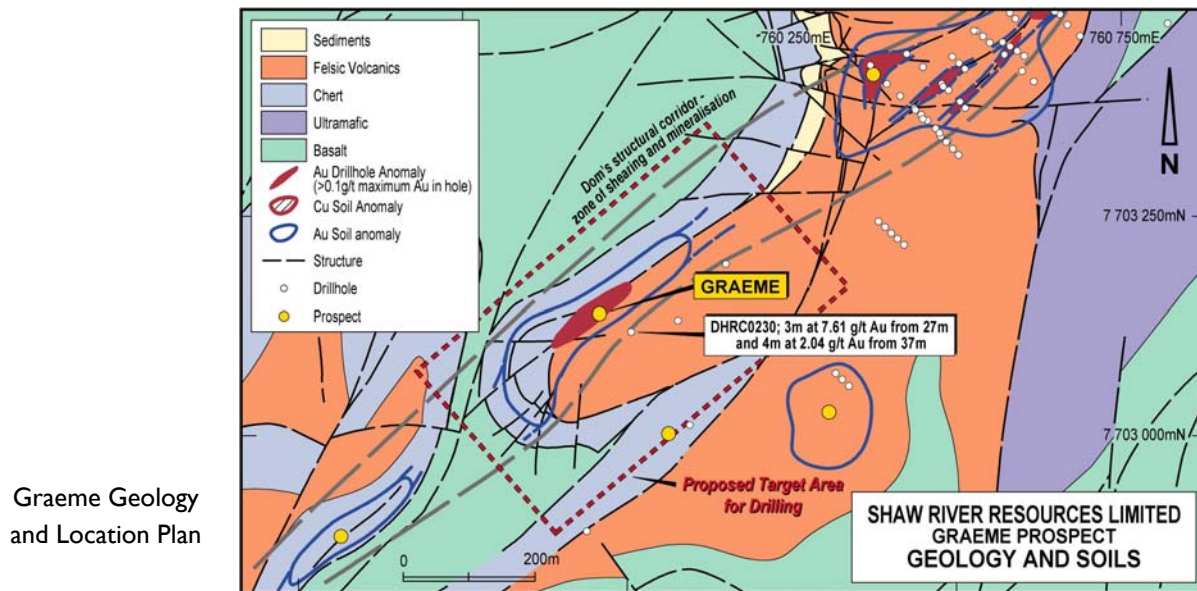
The company has a quality portfolio of assets including Farrel Well (gold, base metals and nickel), Hedland (gold and base metals), Mt Minnie (Gold, Copper, Uranium) Pardoo (Gold, Nickel), and Pearana (Gold, Copper). A site visit was conducted to the Farrel Well area during the period and focused on inspection and a brief examination of previous drilling activity in preparation for follow up drilling at Graeme and NE Zone in late January 2007. The Farrel Well gold and base metal targets will receive the majority of the company's exploration focus in 2007.



Farrel Well Prospect Geology and Location Plan

Graeme Prospect

The Graeme gold prospect lies south of the Dom's Hill prospect, which yielded over 25 >1g/t gold intersections when drilled by Atlas in 2005. A restricted two hole program at Graeme yielded 3m@7.61g/t Au from 27m in DHRC0230. The prospect lies at the southern end of a two km long NE trending corridor of intense shearing and alteration. Planning of a follow up drill program to commence in late January 2007 took place during the quarter. The Graeme gold prospect is defined on surface by a 300m long by 120m wide gold in soil anomaly (max value 485ppb). Previous drilling results and the soil anomaly will be the focus of the drilling program. Drilling will test structural plunge controls on the known gold mineralisation in the Graeme, Dom's Hill corridor.



NE Zone

The North East Zone gold anomaly lies 4.7km to the east of Dom's Hill and Graeme. Previous explorers have identified a 2km long gold in soil anomaly with values exceeding 100ppb Au. Atlas drilled 18 RAB and 9 RC drillholes at NE Zone during 2005. Ten separate drillholes intersected gold grades exceeding 1g/t, with a best intersection of 1m@7.44g/t from 4m in NERB008. An anomalous zone of gold mineralisation open at depth with indications of strong structural control on higher grades can be traced over 900m of strike. During the quarter the company commenced planning and permitting for follow up drilling due to commence in late January 2007.

Morgan Prospect

The Morgan prospect lies 300m east of and parallel to the NE Zone area. It is a coherent Ni-Cu soil anomaly, co-incident with a prominent magnetic anomaly. First pass drilling by previous explorers found anomalous nickel intersections in two drillholes, 44m at 0.13% nickel from 4m and 48m at 0.14% from 12m. An intersection of 1m at 14.4 g/t gold from 4m was also intersected in NERB002. The Morgan prospect has been included in the planned drilling program in Jan/Feb 07.

Edsel Base Metal Project

The Edsel base metal prospect at Farrel Well consists of a 600m long lead soil anomaly (>20ppb Pb) with a 250m long higher level core lead anomaly (>40ppb Pb). A highest value of 246ppm Pb and 126ppm Cu were located during the 2005 Atlas soil sampling program. Lead soil anomalies such as Edsel, similarly associated with sequences of felsic volcanic rocks, tuffs and cherts are often good exploration markers for base metal mineralisation contained in VHMS systems such as Sulphur Springs, 60km to the South West of the Farrel Well project area. The January field program will seek to validate the exploration model with mapping and rock chip sampling.

MT MINNIE PROJECT

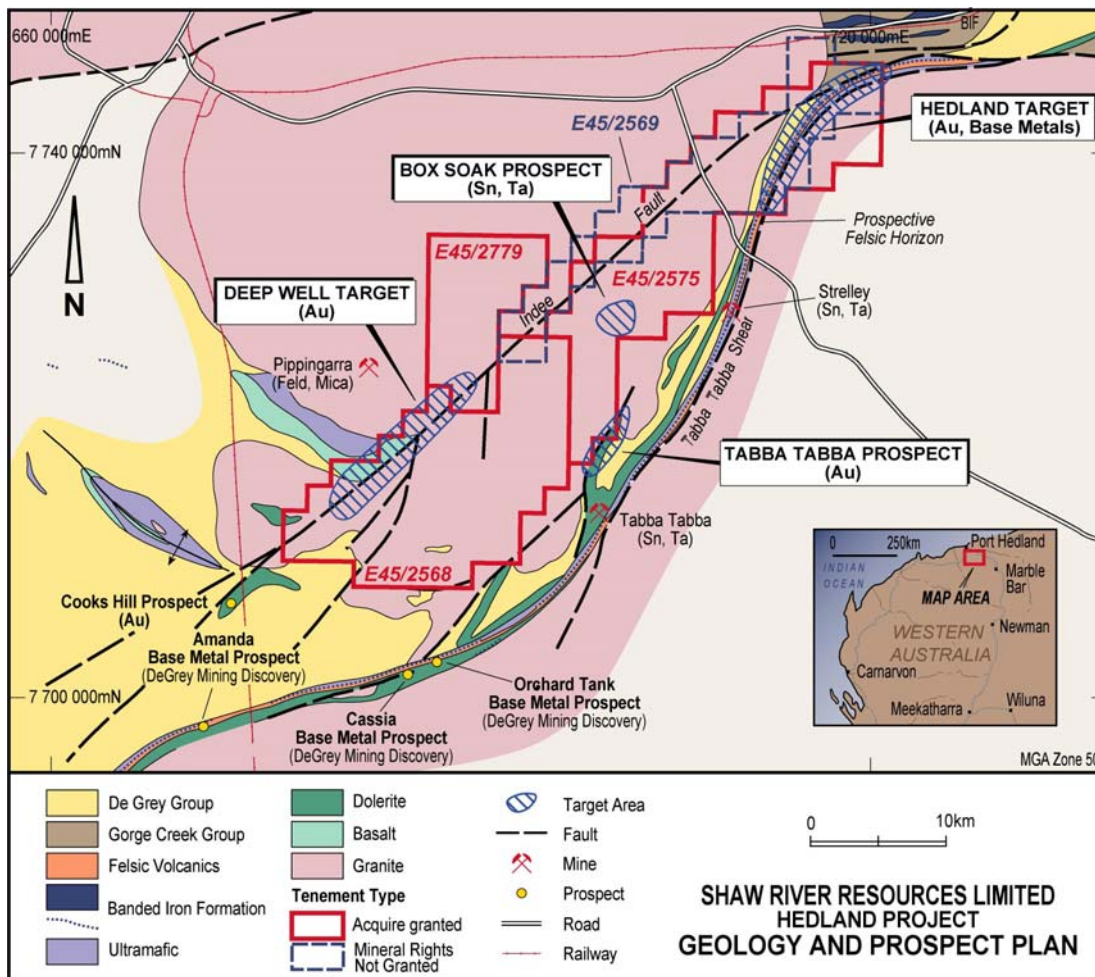
SHAW RIVER RESOURCES LIMITED—100% (Gold, Copper, Uranium)

The Mount Minnie Project covers 1838 square kilometers over 10 granted tenements south-east of the town of Onslow in WA. The project geology supports exploration models targeting Iron Oxide hosted Copper Gold (IOCG) mineralisation as well as sandstone hosted Uranium mineralisation. During the period a field excursion was conducted to the area to assess terrain conditions and logistics with a view to preparing for field sampling and drilling programs in the coming months.

HEDLAND PROJECT

SHAW RIVER RESOURCES LIMITED—100% (Copper-Zinc-Silver-Gold)

The Tabba Tabba Shear Zone is the focus of a cluster of VHMS style base metal intercepts on the adjacent De Grey Mining Ltd ground to the south west. Detailed geophysics suggests the Shaw River tenements host 14km of strike extent of this shear zone. Field inspection during the Quarter suggests the use of VTEM geophysics will be a useful tool in identifying targets for testing later in the year. VTEM is a geophysical tool which has defined significant economic targets in similar geological environments in recent times. Shaw River will participate in a VTEM Survey to be run in the area in April/May 2007.



Hedland Project Location Plan

PEARANA PROJECT**SHAW RIVER LIMITED—100% (Gold, Copper)**

No exploration activity to report from the Pearana Project during the December quarter.

ABYDOS PROJECT**SHAW RIVER RESOURCES LIMITED—100% (Gold, Nickel, Tantalum)**

No exploration activity to report from the Abydos Project during the December quarter.

PARDOO PROJECT**SHAW RIVER RESOURCES LIMITED—100% Mineral rights (Gold, Nickel)**

No exploration activity to report from the Pardoo Project during the December quarter.

CORPORATE

As at the 31 December the company had cash reserves of \$5.73m

SHAREHOLDER INFORMATION

As at the end of December the company had 59,496,500 of shares on issue. The top 20 shareholders hold 60.3%.

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.