

Maiden Drilling Intersects Manganese and High-Grade Gold at Butre Project, Ghana

EXCELLENT FIRST RESULTS FROM RECENTLY ACQUIRED GHANA MANGANESE PROJECT

Highlights:

- **Manganese potential confirmed with best intersections from Aircore drilling of:**
 - **26m @ 21.2% Mn including 2m @ 32.2% Mn and 4m @ 22.9% Mn**
- **Drilling also encounters high grade gold, with a best result of 2m @ 34.2g/t Au**
- **Follow-up RC drilling scheduled to commence in the second half of 2010**
- **The Butre Project is located 30km west of a major bulk port on sealed roads**

Australian manganese explorer **Shaw River Resources Limited** (“Shaw River” or “the Company”) (ASX Code: **SRR**) is pleased to report excellent results from first-pass drilling at its 80%-owned **Butre Project**, located 30km west of Takoradi in the Republic of Ghana, West Africa.

Shaw River recently exercised its option to acquire the Butre Project, which is located near the world-class 1Mtpa Nsuta Manganese Mine, operated by Palmary Enterprises (operators of the Woodie Woodie Manganese Mine in WA), and 30km by sealed roads from the port of Takoradi, which ships ore from Nsuta.

The Butre Project area contains rocks of the manganese- and gold-bearing Upper Birimian sequences of West Africa, which host significant manganese deposits and a number of multi-million ounce gold deposits.

An initial program of Aircore drilling (24 holes for 943m) and sampling was primarily designed to test a series of manganese-bearing horizons located at Butre, primarily the Jimra Bepo manganese occurrence which takes the form of a large, 1km long, 114m high hill. Gold assaying was also completed on all drill samples.

Drilling successfully tested the main manganese horizon over 500m of strike at Jimra Bepo (see *inset, Fig.2*), returning excellent results including a high-grade intersection of **2m at 32.2% Mn** as part of a wide intersection of **26m at 21.2% Mn from 2m** in hole BUAC013, confirming the potential of the location. In an adjacent section, hole BUAC010 intersected **2m at 25.5% Mn** as part of a broader intersection of **4m at 22.9% Mn** which ended in mineralisation at 40m (see Plate 1.). A table of the significant manganese intersections is shown in Table 1.

Previous workers in the area (Kesse, 1976) refer to successful upgrading of the material by simple washing, crushing and wet screening to achieve a high-grade product grading +40% Mn. Shaw River will assess a bulk sample from hole BUAC013 for metallurgical testing to confirm this simple beneficiation process.

The drilling at Butre also returned a high-grade gold intersection of **2m at 34.4g/t from 24m** in hole BUAC009 (see Table 2) and a number of other gold values interpreted to be related to cross-cutting shears that offset the main manganese horizon at Jimra Bepo. Future drilling will focus on identifying these cross structures and their extensions.

Previous explorers (Mwana PLC in 2006) reported significant gold results from the eastern quartz porphyry target zone, 1.5km east of the area tested by Shaw River's initial drilling program.

These historical results include intersections of **20m at 3.4 g/t Au from 20m** and **8m at 2.75 g/t Au from 80m** in BUERC010, **76 m at 1.2 g/t Au from surface** in BUERC017, and **4m @ 4.1 g/t Au from surface** in BUERC014 (see Table 2). Together, all these results indicate strong potential for further gold discoveries within the project area.

Vincent Algar, Shaw River's Managing Director commented: *"This is a great start for our exploration at Butre, with first-pass drilling returning significant manganese intersections as well as high-grade gold (+1oz/t) in an untested area of the project. This clearly demonstrates the potential of the Butre Project for significant manganese and gold discoveries.*

"Shaw River has already commenced planning for a significant manganese and gold exploration programme to follow-up on these excellent first pass results, which will include RC drilling during the second half of 2010."

About Shaw River Resources

Shaw River is an aggressive manganese-focused explorer, currently operating five Pilbara manganese projects, and holding an 80% stake in a Ghanaian manganese and gold project.

In 2010 Shaw River's active manganese exploration program will include drilling at Butre (Ghana), 701 Mile (Pilbara), Skull Springs (Pilbara) and Baramine (Pilbara). Shaw River is maintaining its active manganese project acquisition strategy as it continues to build its manganese project pipeline. In February, it extended its West Pilbara Dingo Creek Manganese Project with an option over two tenements from De Grey Mining Ltd.

Shaw River offers excellent exposure to this strategic metal, critical to the global steel industry.

Shaw River's largest shareholder, Atlas Iron (45.4%) is a strong supporter of Shaw River's manganese strategy.

For further details, contact Mr Vincent Algar, Managing Director, on (08) 9226 4455

Competent Person Statement

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 and Mr Glenn Martin who are Members of the Australasian Institute of Mining and Metallurgy. Mr Vincent Algar and Mr Glenn Martin are full-time employees of the company and have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Vincent Algar and Mr Glenn Martin consent to the inclusion in the report of the matters based on their information in the form and context in which it appears

Forward Looking and Exploration Target Statements

Some statements in this announcement regarding future events are forward-looking statements. They involve risk and uncertainties that could cause actual results to differ from estimated results. Forward-looking statements include, but are not limited to, statements concerning the Company's exploration programme, outlook, target sizes, resource and mineralised material estimates. They include statements preceded by words such as "potential", "target", "scheduled", "planned", "estimate", "possible", "future", "prospective" and similar expressions. The terms "Direct Shipping Ore (DSO)", "Target" and "Exploration Target", where used in this announcement, should not be misunderstood or misconstrued as an estimate of Mineral Resources and Reserves as defined by the JORC Code (2004), and therefore the terms have not been used in this context. Exploration Targets are conceptual in nature and it is uncertain if further exploration or feasibility study will result in the determination of a Mineral Resource or Reserve.

Area	Hole ID	Depth	M East	M North	Mag Azimuth	m From	M To	Mn% Intersection
Jimra Bepo	BUAC013	40	619139	536748	138	4	30	26m at 21.2%Mn
				Incl.		26	30	4m at 31.1%Mn
Jimra Bepo	BUAC010	40	619041	536715	138	36	40	4m at 22.8%Mn
				Incl.		38	40	2m at 25.3%Mn
Jimra Bepo	BUAC007	34	618938	536674	138	6	10	4m at 15.1%Mn
Jimra Bepo	BUAC005	40	618877	536592	138	0	10	10m at 11.3% Mn
				Incl		6	8	2m at 16.8% Mn
Jimra Bepo	BUAC022	16	619325	536844	138	14	16	2m at 15.1%Mn

Table 1. Significant Intersections, Butre Manganese Project, Shaw River Drilling. All holes 60° Dip. Aircore drilling samples, riffle split, 2-5kg samples, Analysis by X-Ray Fluorescence. Cutoff grade used for significant intersections of greater than 10%Mn and intersections greater than 2m in width. Survey grid system WGS84_30N.

Company	Area	Hole ID	Depth	M East	M North	Mag Azimuth	m From	M To	Gold (g/t)
Shaw River	Jimra Bepo	BUAC009	40	618951	536658	138	24	26	34.2 g/t Au
							26	28	0.58 g/t Au
Mwana	E Porphyry	06BUERC001	126	620971	536638	147	96	100	4m at 0.68 g/t Au
							112	126	4m at 0.76 g/t Au
Mwana	E Porphyry	06BUERC003	126	621042	536846	146	48	60	12m at 1.18g/t Au
					Incl		56	60	4m at 2.79g/t Au
Mwana	E Porphyry	06BUERC010	126	621662	537329	146	16	40	24m at 2.89g/t Au
					Incl		28	32	2m at 7.87g/t Au
					and		80	88	8m at 2.75g/t Au
Mwana	E Porphyry	06BUERC011	132	621617	537383	146	112	116	4m at 1.86g/t Au
Mwana	E Porphyry	06BUERC014	120	621207	536982	146	0	4	4m at 4.08g/t Au
Mwana	E Porphyry	06BUERC017	120	621089	536786	147	0	76	76m at 1.16g/t Au
					incl		40	52	12m at 2.02g/t Au
					and		92	100	8m at 0.81 g/t Au

Table 2. Significant gold intersections, Butre Gold Project. Shaw River and Mwana drilling. All holes 60° dip. Aircore and RC drilling samples, riffle split, 2-5kg samples, Analysis by Aqua Regia. Cutoff grade used for significant intersections of greater 0.5g/t Au. Survey grid system WGS84_30N

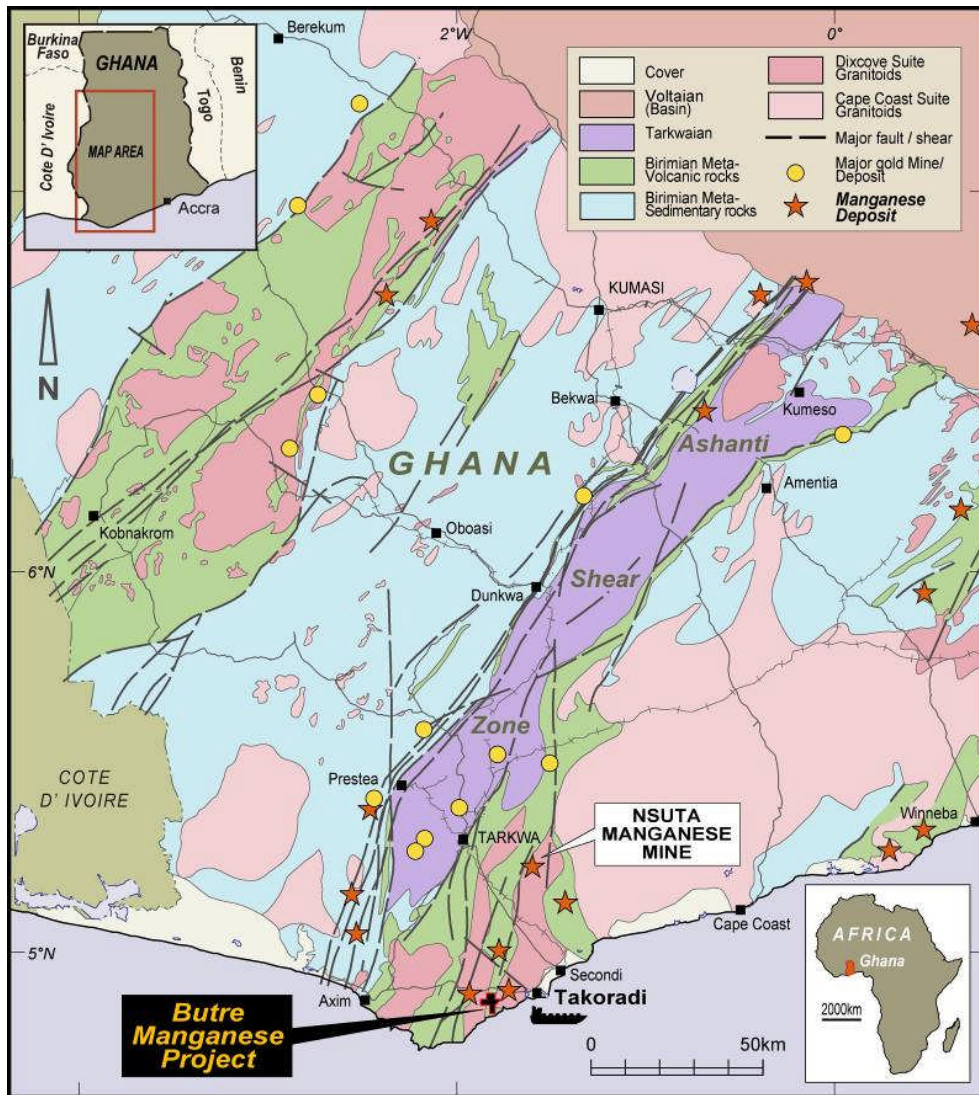


Figure1. Ghana Geology and Butre Project Location

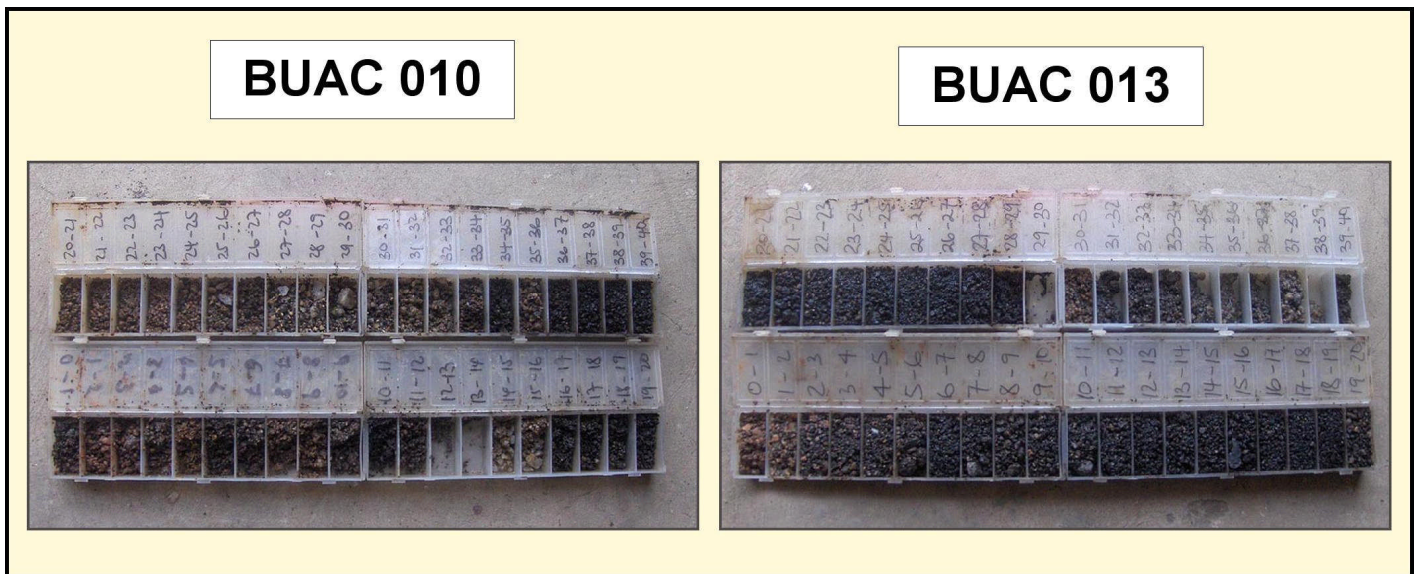


Plate 1 Chip Trays from BUAC 10 and BUAC 13 Showing Manganese intersections (see Table 1)

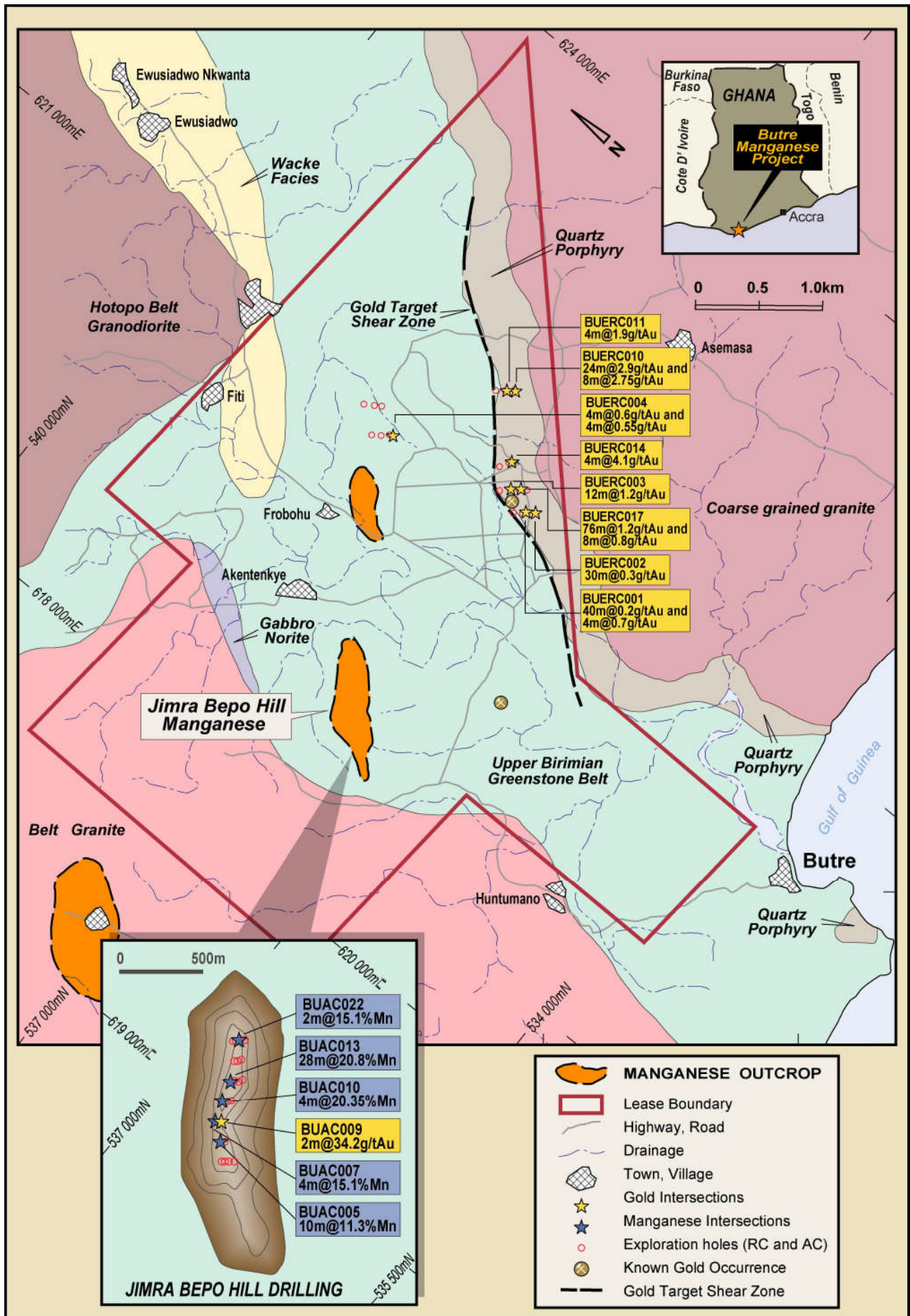


Figure 2. Butre Project Geology