

March 2008 Quarterly Report

Shaw River Resources Ltd

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Projects

HEDAND
East Pilbara
gold, zinc-silver

MT MINNIE
Ashburton
gold, uranium,
zinc-lead-copper-silver

FARREL WELL
East Pilbara
gold, nickel, zinc-lead-
copper-silver

ABYDOS
Central Pilbara
gold, tin, tantalum, nickel,
copper-zinc

PARDOO/GOLDSWORTHY
East Pilbara
gold, zinc-copper, nickel

PEARANA
Far East Pilbara
copper, gold



Highlights for the March 2008 Quarter

Hedland Project – Gold and base metals (100% Shaw River)

- RC drilling of 1500m RC drilling commenced on 17 April 2008 to follow up 2007 gold discoveries, results are anticipated in late May 2008.
- Soil sampling completed over 14km of target area, identifying new gold, copper and base metal drill targets ahead of April 2008 drilling
- Soil sampling program over newly acquired Goldsworthy area and Deep Well gold targets completed

Mt Minnie Project – Gold, copper, base metals and uranium (100% Shaw River)

- Soil and rock chip sampling identifies thirty two immediate drill targets at three prospects showing potential for large copper-gold systems
- New geophysical data confirms drill locations located at intersection of large geological structures
- Permits and heritage clearances near completion ahead of an 8000m RAB/Aircore drilling program to commence in the June 2008 quarter following up Shaw River's 2007 exploration success.

Abydos Project – Gold, copper, base metals and nickel (100% Shaw River)

- New rock chips on initial targets indicate copper and gold mineralisation
- Extensive historical review of exploration completed - excellent targets generated
- Five immediate high priority targets, highly prospective for gold, copper-gold, zinc-copper identified for follow up and drill testing in June 2008 quarter

Corporate

- Concludes mineral rights agreement with Atlas Iron Limited ("Atlas") over fourteen prospective tenements at Abydos and Goldsworthy.
- Completes second tranche of \$3.0 million capital raising at 15 cents per share to Atlas and sophisticated investors. Atlas contributes \$1.2 million
- The Company has \$3.2 million in cash at 31 March 2008

Plans for the June Quarter 2008

- The remainder of 2008 will see Shaw River following up its 2007 gold discoveries with a series of drill programs and extensive fieldwork, commencing in the June 2008 Quarter
- RC drilling at Hedland has commenced following up 2007 gold discoveries and testing four new soil sampling targets
- Soil sampling results over Hedland and Goldsworthy project areas expected to generate further gold and base metal targets along prospective geological structures
- RAB/Aircore drilling program at Mt Minnie will test thirty two new copper-gold and base metal targets
- Drill target generation will accelerate at Abydos over gold and copper-gold targets
- Field programs will generate drill targets over Goldsworthy and Farrel Well for copper, zinc and nickel

PROJECTS

HEDLAND PROJECT (100% Shaw River – Gold and Base Metals)

“The use of an innovative soil sampling techniques in conjunction with conventional exploration tools such as geophysics and drilling, has dramatically increased our confidence exploring under the shallow cover at Hedland. Our initial results from the recent sampling are already generating new targets, where we have commenced RC drilling on 17 April 2008.”

Shaw River's Hedland Project, 42km south-east of Port Hedland hosts the extension and intersection of the crustal scale Tabba Tabba and Mallina Shear Zones. Both of these large geological structures are host to base metal and gold mineralisation to the south-west along their entire length.

Shaw River holds 106km along the two shear zones on its Hedland and Goldsworthy tenements. The intersection of the two shear zones has never been drilled, despite the occurrence of gold and base metal mineralisation on structures along strike to the south west at Indee (529,000 oz gold), Wingina Well (200,000 oz gold), and Orchard Tank (zinc-lead-silver-gold). The Hedland Project occupies a unique geological position for potential economic gold and base metal mineralisation.

During the quarter, the Company continued to refine its gold and base metal exploration targets at the Hedland Project area:

- Extensive soil sampling using the MMI (Mobile Metal Ion) method resulted in over 4,000 samples being submitted on a 250m x 25m grid spacing over the entire 14km length of the intersection of the Tabba Tabba and Mallina Shear Zones held by Shaw River on E45/2569.
- Soil anomalies have been correlated with subsurface mineralisation using orientation surveys over the Screamer prospect at Hedland. This greatly increases confidence in the use of the method over the area.
- Sampling results were so far received for only 30% of those submitted. The results returned have generated four immediate priority one targets for gold, copper and silver, to be followed up with RC drilling that commenced on 17 April 2008 and is currently underway.
- A further review of available data, including VTEM and magnetic data supplied during the quarter has been used in refining the structural interpretation for follow up drilling programs over the Transformer prospect (9m at 1.8 g/t including 2m at 5.76 g/t from 77m in SCRC026,) as well as the Screamer prospect (1m at 6.7 g/t from 36m in SCRC012 and 8m at 0.7g/t including 3m at 1.5g/t from 130m in SCRC013)
- A strong correlation between structure and geochemistry results in relation to gold mineralisation is emerging.
- Exploration of new areas of the 56km of the prospective Mallina Shear Zone held by Shaw at Hedland commenced during the quarter with mapping and sampling over the Deep Well gold and pegmatite targets

Plans for the June 2008 Quarter

- An RC program of 1,500m has commenced to test the strike and dip position of the gold intersections at the Transformer prospect as well as the first four drill targets generated by initial results the soil sampling program. Results are anticipated in late May 2008.
- Interpretation of the remaining soil sampling results are expected to generate further drill targets adjacent to known intersections (such as Screamer), as well as new anomalies over the entire 14km length of the intersection zone.
- Further drilling over the new targets as well as follow up of April drilling results to begin initial resource definition is planned for June 2008.

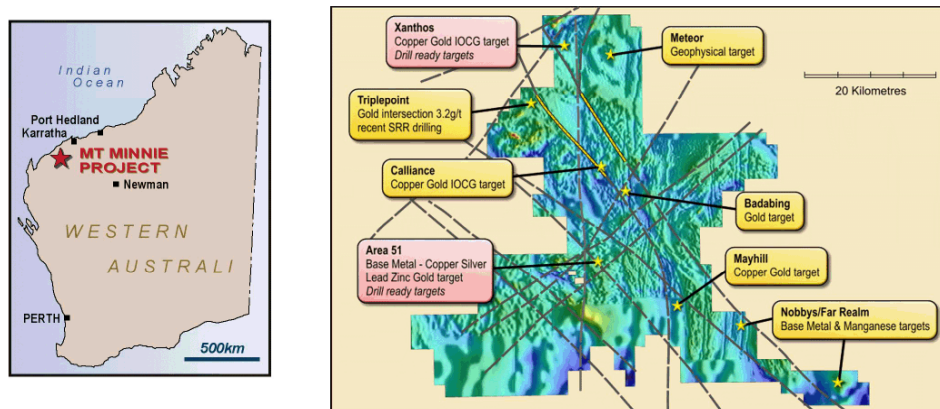


Figure 1. Mt Minnie Project – Magnetics, structure, location and prospects

MT MINNIE PROJECT(100% Shaw River – Gold, Copper, Base Metals and Uranium)

“With the acquisition of new updated geophysics and the results of our extensive sampling programs, we have generated no less than thirty two new targets to drill-test in the coming quarter. The location of these copper, gold and base metal targets at the intersection of major geological structures is very encouraging for the discovery of large mineralized systems”

Shaw River’s Mt Minnie Project is located 200km south-west of Karratha in the Ashburton region of Western Australia. The 1,800km² project is located on ten granted tenements that lie adjacent to the western edge of the Pilbara Craton, a geological location that is very favourable for the formation of large mineral deposits.

The area has the potential to host sandstone uranium roll front deposits similar to the nearby (7km south) Manyingee deposit (10,000 t U₃O₈) owned by Paladin Resources as well as being the target for base metal and gold mineralisation. Known shear-hosted copper-lead-silver occurrences occur at the excised Turtle and Range mining tenements located in the centre of the project. In the mid-1990s, WMC Exploration identified numerous potential IOCG (Iron Oxide Copper Gold) targets using geophysical and geochemical techniques. The Company reviewed and extended these targets and interpretations in mid-2007.

Follow up work continued during the March 2008 quarter to advance specific areas at Mt Minnie towards drilling:

- Work conducted has established eight new base metal and copper-gold targets and confirmed the IOCG potential of a number of untested WMC targets.
- Over 1,000 soil samples using the MMI soil sampling method have been taken over the Xanthos and Calliance copper-gold prospects at Mt Minnie. Results have identified eighteen drill targets at Xanthos and five at Calliance with abnormal copper-gold and other base metal geochemistry.
- At the Area 51 prospect area, extensive sampling over a 30km² area in late 2007 identified nine co-incident copper-zinc-silver anomalies located along interpreted structures adjacent to the historical copper-silver-lead mineralisation at Turtle and Range.
- A soil sample of 7g/t silver (abnormally high for a soil sample), as well as visible quartz-malachite in outcrop has

been identified at one of the drill targets at Area 51.

- Orientation soil sampling was completed over the Triple Point anomaly (location of SRR drill intersection of 1m at 3.2g/t gold in 2007) to refine drill targets
- Orientation soil sampling was completed over the Meteor anomaly, a large (100km²) circular magnetic feature which is located east of the Xanthos prospect and has never been tested
- Geochemical anomalism is showing strong correlation with the intersection of large interpreted fault structures identified by geophysical methods such as magnetics. This combination is often an excellent combination for the discovery of mineral deposits.

Plans for the June 2008 Quarter

- Heritage and flora surveys over the affected drilling locations will be completed during the quarter.
- Drilling to test the thirty two identified drill targets at Xanthos (copper-gold), Calliance (copper-gold) and Area 51 (copper-zinc-silver-gold-lead).

ABYDOS PROJECT (100% Shaw River – Gold, Copper, Base Metals and Nickel)

“We completed mapping and a detailed historical review of our new Abydos ground during the quarter and as a result have generated immediate follow up activity that could lead to early resource definition and new discoveries in the area”

Shaw River now holds mineral rights over eight tenements in the Abydos area, 120km South of Port Hedland. The area is currently being co-explored for Iron Ore by Shaw River's major shareholder, Atlas Iron Limited.

The Abydos area has considerable gold and base metal discovery potential with gold mining previously having taken place at the nearby Lynas Find (140,000 oz gold) and Lallah Rookh gold mines (31,000 oz). The area has numerous recorded base metal occurrences as well as being close to the Sulphur Springs VHMS (Volcanogenic Hosted Massive Sulphide, 10mt @ 3.5% zinc and 1.5% copper) complex of deposits, located just 8km east of the tenement package.

During the quarter, surface geological mapping was completed as a joint exercise with Atlas Iron Limited. This detailed geological map enables geologists to work on a consistent interpretation, greatly enhancing mineral discovery opportunities.

New results from rock chip samples taken during reconnaissance at Abydos included;

- 3 g/t gold and 0.4 g/t gold in rock chips from McDonald gold prospect
- 3.6% copper, 8.35 g/t silver 519ppm zinc and 0.2g/t gold from Hazelby base metal prospect

Given the areas' high level of prospectivity and recent production history, the Company is pleased by the outcome of an extensive historical review of exploration conducted and delivered in the March quarter. The report, complete with a full digital GIS database is a comprehensive review of the Abydos area. It will enable the Shaw River team to generate a wide range of gold, copper-gold and base metal (VHMS) targets while supplying immediate high priority targets for immediate field follow up work, including drilling.

Results identified from the report on targets for immediate priority follow up include;

- Historical sampling at **Hazelby** VHMS (Volcanogenic Hosted Massive Sulphide) prospect up to 7% copper, 70 g/t silver, 245ppm cobalt. A 1,300m long EM anomaly underlies the prospect zone, 1% copper and 0.7g/t gold intersected in drilling, with mineralisation identified to 230m depth in three separate seams
- Historical gold workings and RC drilling at **McDonald** identified four gold-bearing lenses over a 600m strike length. Best Intersections from 18 drillholes included 2m at 5.81 g/t gold in MP6, 6m at 1.77 g/t including 2m at 4.97 g/t gold in MP17 and 10m at 1.95 g/t gold including 3m at 4.6 g/t gold in hole MPD19
- Historical drilling at the **Brass Buckle** prospect intersected 8m at 6.4 g/t gold from 24 m in drillhole BBRC05 which included 2m at 23.75 g/t gold. Numerous untested soil anomalies of up to 46ppb gold and 920ppm copper have been identified for follow up

- At the **Price of Love** prospect, 16 historical drillholes identified wide copper-gold mineralisation including 34m at 1.61% Cu and 0.36 g/t gold in SPH 9 from 48m, 18m at 1.59% copper and 0.27g/t gold from surface in SPH10, 6m at 1.16% copper and 0.51 g/t gold from 16m in SPH8, 11m at 1.43% copper and 0.25 g/t gold from 44m including 6m at 2.07 % copper and 0.32 g/t gold in PLP4
- At **Adamson**, drilling of a gold-mineralized BIF (Banded Iron Formation) identified gold mineralisation over 150m of strike. Twelve RC holes were drilled under old workings by Lynas Gold with best intersections of 3m at 4.56 g/t gold from 15m in AD05 and 3m at 12g/t gold from 41m in AD07

Plans for the June 2008 Quarter

- Ground sampling and 3D modeling of priority targets, particularly McDonalds (gold) and Price of Love (Copper-gold) with a view to infill drill targets and early resource definition.
- Development and implementation of soil sampling programs along strike from priority targets and new targets
- Ground EM (Electromagnetics) over selected base metal and copper horizons to aid drill target development
- Drilling of highest priority targets planned in September quarter.

GOLDSWORTHY PROJECT (100% Shaw River – Gold, Base Metals)

“This new area for Shaw River east of Hedland has tremendous potential for gold and zinc-copper deposits in a setting similar to the Indee gold and Whim Creek copper deposits. Having conducted our first soil program in the area we know the ground is going to be a relatively easy to work on and we are expecting lots of excitement from our planned programs over this very new and highly prospective area”

Shaw River’s Goldsworthy Project area is located between 50km and 100km east of Port Hedland and is covered by seven mineral tenements acquired from Atlas Iron during the quarter. The area covers the extension of the prospective Tabba Tabba and Mallina Shear Zones under cover and overlain by a shallow sequence of younger sedimentary rocks.

Work conducted over the area previously by Independence Group Ltd identified at least two trends of gold-arsenic anomalism up to 14km long. Shallow Aircore drilling also identified felsic volcanic rocks with elevated lead and zinc values, with a style indicating possible Whim Creek VHMS deposit potential in the area. Regional geophysics suggests a complex geological environment with evidence for numerous styles of gold and base metal shear hosted mineralisation.

During the Quarter, Shaw River’s exploration team conducted reconnaissance through the area, finding it amenable to MMI soil sampling over large areas of shallow cover. An initial sampling campaign of 3,000 samples searching for gold and base metals was carried out in an area of shallow cover over 6km of strike along the extension of the Mallina Shear Zone. Results have not yet been received from the survey.

Plans for the March 2008 Quarter

- Target generation will be carried out using the results of recent soil sampling. New gold and base metal drill targets are expected to be generated.
- Orientation sampling will be conducted over elevated lead-zinc values achieved by Independence Group Aircore drilling on E45/2381.
- An extensive soil program over E45/2381 will be undertaken to identify new base metal drill targets.

FARREL WELL PROJECT (100% Shaw River – Gold, Base Metals and Nickel)

“During the quarter, we started to campaign follow-up the best VTEM anomalies identified by our 2007 surveys. Some of these are quality, but deep drill targets, while other targets such as Weathertop represent potential for a new style of exploration target. Our follow up sampling has identified anomalous zinc, nickel and silver”

Shaw River’s Farrel Well Gold and Base Metals Project is located 100km south-east of Port Hedland where the Company is targeting gold, base metals and nickel. The company is targeting VHMS (Volcanogenic Hosted Massive Sulphide) deposits similar to the nearby Sulphur Springs deposit, as well as structural hosted base metal targets, such as the Coongan lead-silver occurrence. Copper-gold (Myrna’s Hill) anomalies and anomalous nickel in ultramafic and mafic rocks (Gorge Range) are being actively explored. The area has abundant gold anomalism, which has been the

subject of earlier exploration work.

EM (Electromagnetic) surveys over Farrel Well in 2007 identified ten bedrock conductors. The company has been following these up to map and sample the anomalies.

During the quarter, sampling at the Weathertop anomaly returned nickel up to 696ppm, zinc up to 596ppm and silver up to 0.15g/t in just four samples taken. The anomaly appears to be located near the geological contact of the older greenstone sediments and the Fortesque Group.

Plans for the March 2008 Quarter

- Follow up work on a campaign basis will continue to sample EM and other base metal targets at Farrel Well with a view to drill target generation.
- Follow up of the Weathertop zinc and nickel anomalies will be conducted.

CORPORATE

- Shaw River received shareholder approval on 29 February 2008 to complete a mineral rights acquisition from Atlas relating to fourteen prospective tenements in the Abydos and Goldsworthy areas.
- A \$3million share placement to Atlas and sophisticated investors was completed at 15c per share. Atlas contributed \$1.15 million to this placement, increasing its holding in Shaw River to 43.74% after the placement and acquisition
- The cash position of the Company at 31 March 2008 is \$3.2 million

SHAREHOLDER INFORMATION

As at 31 March 2008 Shaw River Resources had 87,684,273 of shares on issue. The top 20 shareholders hold 52.69% of the issued capital of Shaw River Resources.



Vincent Algar

Managing Director

29 April 2008

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.



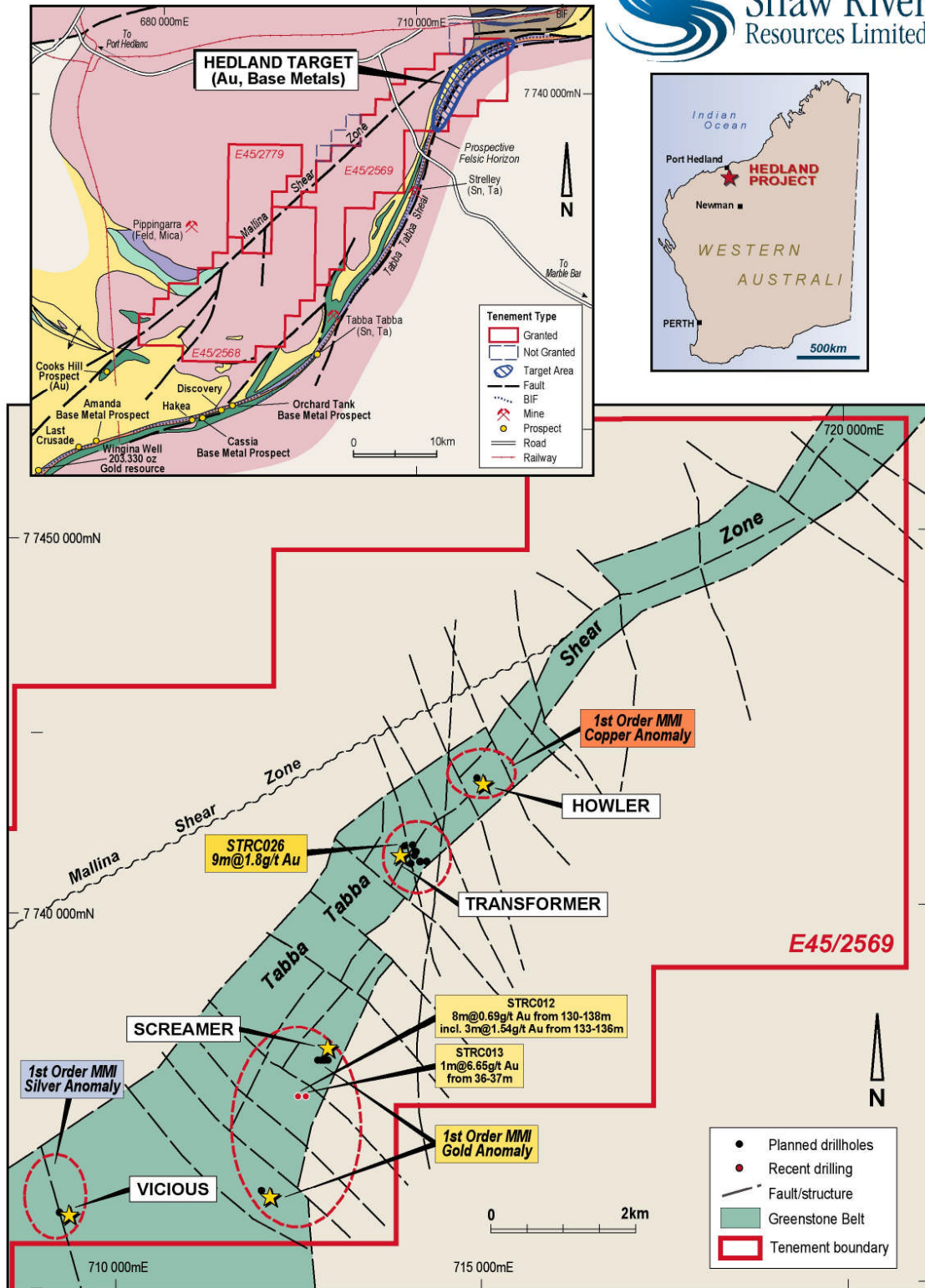


Figure 2 Hedland Project Geology and Current Drill Targets April 2008

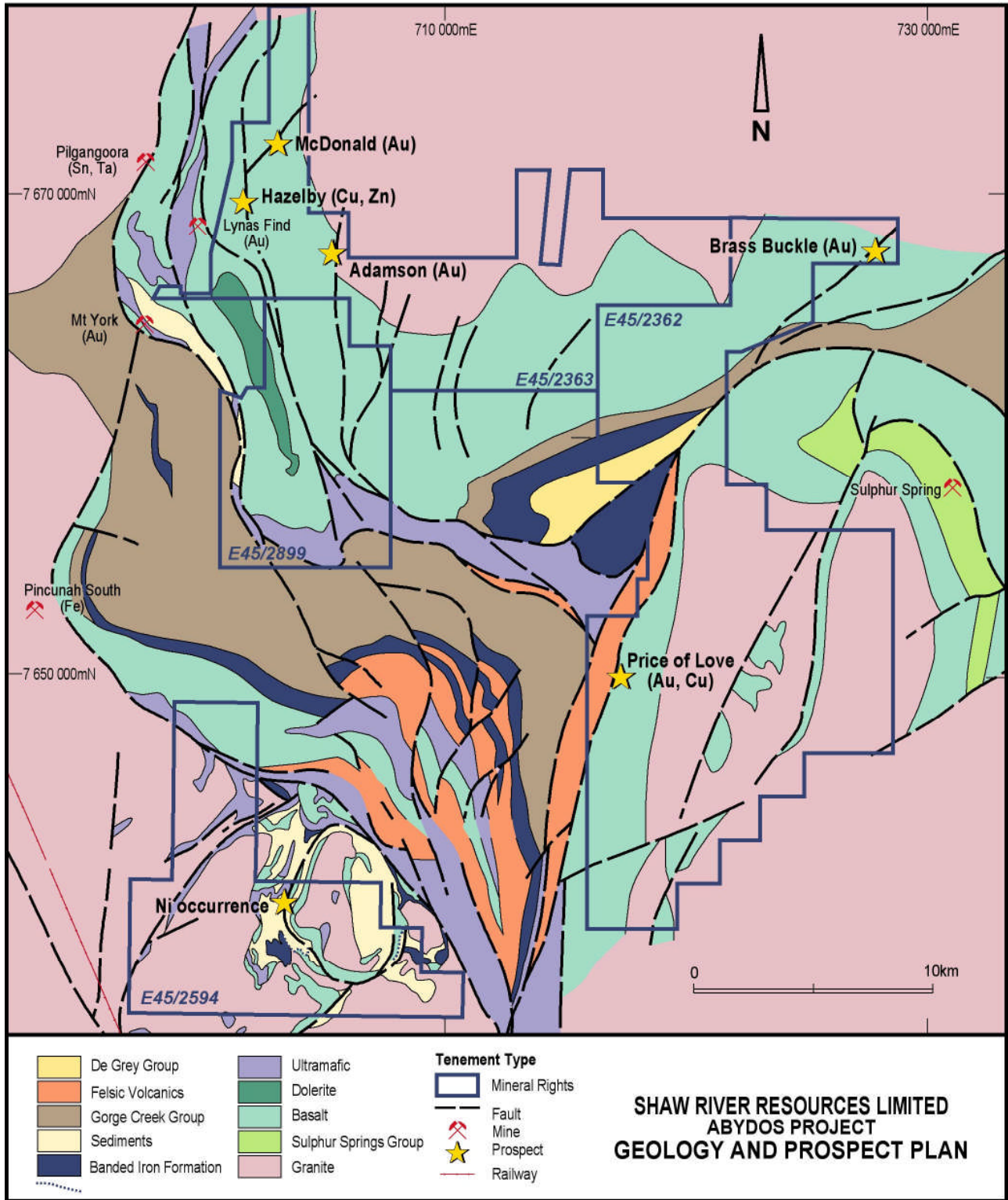


Figure 3 Abydos Project Geology and Prospects