



# Baramine Drill Results and Update

6 DECEMBER 2010

## Highlights

- Drilling results identify high grades of manganese over significant widths in Area 3 including 4m at 33.6% Mn and 1m at 40.2% Mn

Shaw River Resources (ASX Code: SRR) ("Shaw River") is pleased to announce further significant manganese drill results and a project update from the recently completed drilling program at its 70% owned Baramine Project, located 80km to the north west of the Woodie Woodie Manganese Mine in the Pilbara of WA. Shaw River is targeting manganese mineralisation similar to that at the world-class Woodie Woodie deposits (see targets, Figure 1).

### Significant drillhole intercepts

Shaw River recently completed a successful 10,000m RC drilling program at Baramine, which returned intersections of up to 45.8% Mn and identified significant mineralisation at six prospects. A review of the drilling samples (257 RC holes) to assist with geological modelling and interpretation found that drillhole BRC241 in Area 3 (North) contained an additional strongly mineralised manganese zone (see Figure 2). Further assaying on BRC241 has returned:

- New deeper intervals returned 18m @ 21.4% Mn from 73m, including 4m @ 25.8% Mn from 74m and 4m @ 33.6% Mn from 86m including 1m @ 40.2% Mn from 86m

Previously BRC241 was reported as containing only 3m at 13.1% Mn from 63m and 3m at 22.9% Mn from 73m. "Our re-interpretation and these additional manganese results support our view that Baramine will develop into a significant Manganese project" commented Managing Director Vincent Algar.

### Fixed Loop Electromagnetics (EM) Survey

The recent drill program in Area 3 South (see Fig 2), identified manganese mineralisation including 5m at 27.6% Mn from 57m in BRC248 and 2m @ 27.1% Mn from 40m in BRC246, from targets generated using XTEM airborne time-domain geophysics. Following this success, a one square-kilometre (1km<sup>2</sup>) fixed loop EM survey was commissioned to follow up the discovery at BRC248 and surrounding mineralised trends. This survey was completed on Friday 3 December and results of the survey are expected to be available late in December 2010. New targets generated from this survey will be integrated into the planned drilling program at Baramine in 2011.

### Beneficiation Testwork Results

Samples from eight drillholes from separate mineralised areas are currently being tested at Nagrom Laboratories in Perth. Testing includes wet screening, Dense Media Separation (DMS) and wet tabling (for fines recovery). Final results are expected before the end of December 2010. Shaw River expects these results to assist developing an economic model for Baramine.

Shaw River is using the data from the current drilling results to evaluate the economics of extracting high grade (+40% Mn) manganese products from the known mineralisation by simple mechanical beneficiation. Beneficiation of manganese ores is common practice globally and results in a high value product.

#### STRATEGY FOR THE BARAMINE PROJECT

Shaw River is seeking to define large-scale manganese resources at Baramine to pave the way for a long-life mining operation. Activity over the coming months will focus on delivering this outcome, which is expected to provide investors with regular newsflow including:

- Beneficiation test results from RC holes;
- A 1,000 metre diamond drilling program in early 2011;
- 15,000 to 20,000m of RC drilling in early 2011 which will target the conversion of the Baramine Project Exploration Target\* to Mineral Resources;
- Results of economic studies; and
- Heritage, environmental and mining application processes.

\*Exploration Targets: Shaw River has determined an initial Exploration Target at Baramine of between 10 million tonnes and 15 million tonnes of manganese grading between 18 % Mn and 25% Mn.

#### Exploration Target Statement:

The Baramine Exploration Target is conceptual in nature and there is currently been insufficient exploration to define a Mineral Resource. It is uncertain if further exploration will result in the determination of a Mineral Resource.

#### ABOUT SHAW RIVER RESOURCES

Shaw River is a manganese explorer, currently operating five Pilbara manganese projects and one Ghanaian manganese project. Shaw River offers excellent exposure to this strategic metal, critical to the global steel industry. Manganese offers investors the benefits of a high unit sale price, strong global demand and low capital and time costs for the development of feasible projects.

In the remainder of 2010 and into 2011, Shaw River will aggressively advance its projects at its Butre (Ghana), Skull Springs (Pilbara) and Baramine (Pilbara) projects. Shaw River is maintaining its active manganese project acquisition strategy as it continues to build its manganese project pipeline.

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

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

## DRILL RESULTS

Hole	North	East	From	To	Metres	Mn%	Fe%
<b>BRC241</b>	7685841	290234	63	66	3	13.1	33.4
And			73	91	<b>18</b>	<b>21.4</b>	29.6
<i>Includes</i>			74	78	<b>4</b>	<b>25.8</b>	27.2
And			86	90	<b>4</b>	<b>33.6</b>	22.4
<i>Includes</i>			86	87	<b>1</b>	<b>40.2</b>	17.4

Table 1 Significant Manganese RC drill Intersections, BRC 241, Baramine. RC drilling samples, riffle split, 2-5kg samples, Analysis by X-Ray Fluorescence. Cutoff grade used for significant intersections: Greater than 10%Mn.

## 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 Shaw River 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 Shaw River'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.

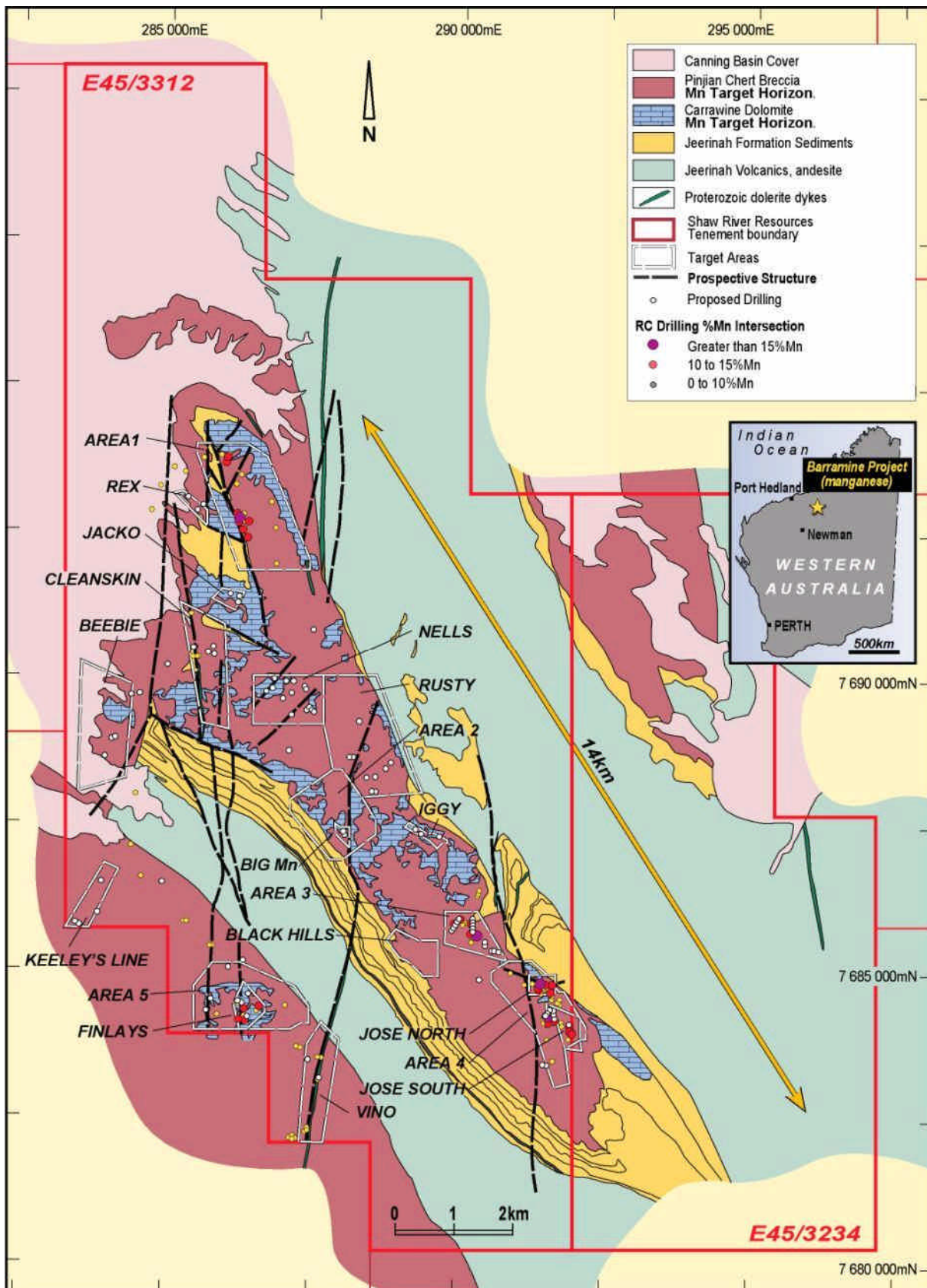


Figure 1. Baramine geology showing previous Shaw River drilling and current program target areas

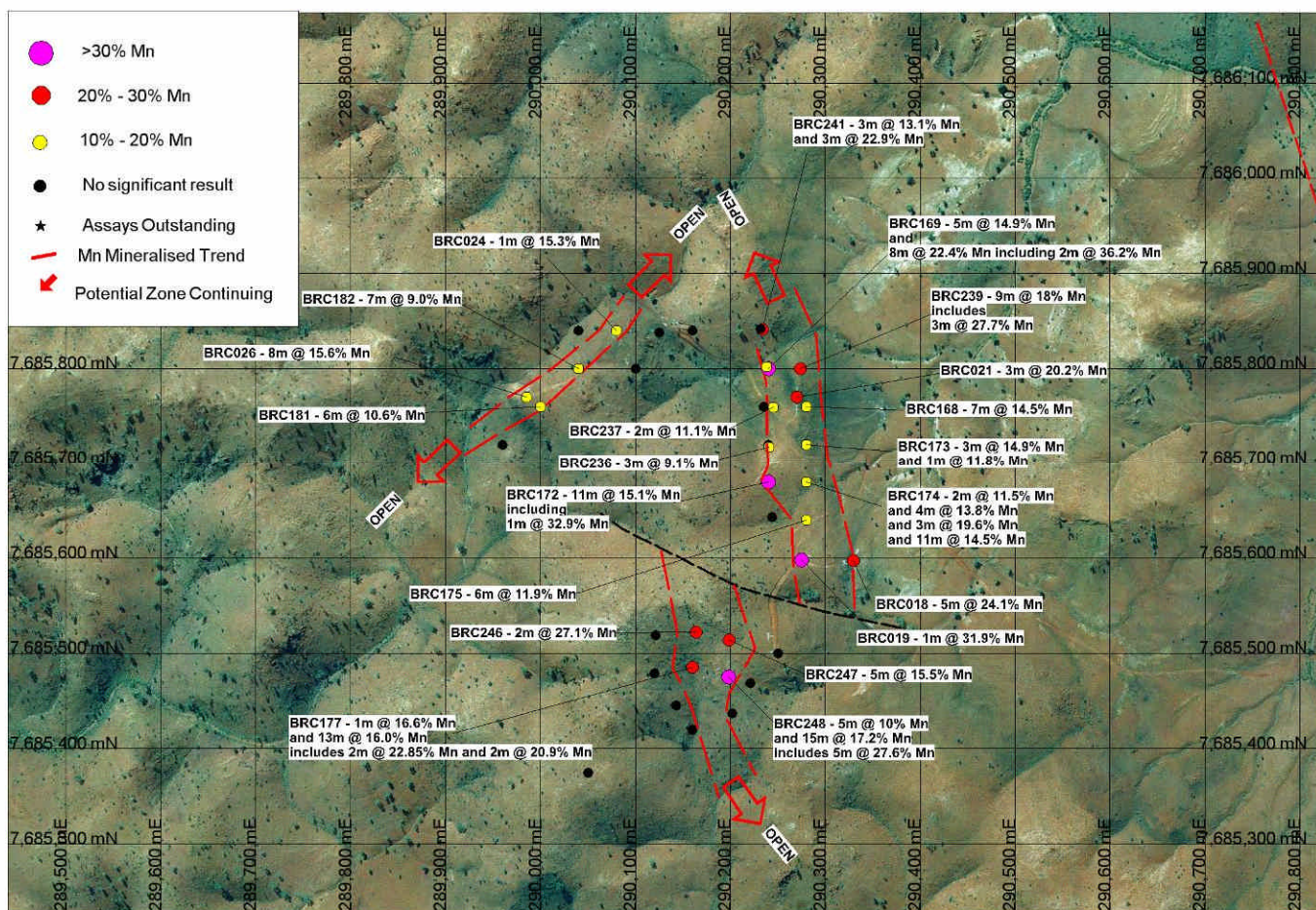


Figure 2. Area 3 Drill Results showing resource target areas and potential. Grid squares are 100m x 100m. Image shows initial interval at BRC 241 before current release of results including 18m @ 21.4% Mn from 73m, including 4m @ 25.8% Mn from 74m, 4m @ 33.6% Mn from 86m and 1m @ 40.2% Mn from 86m