

## Baramine Delivers Further Manganese Discoveries

Australian manganese explorer Shaw River Resources (ASX Code: SRR) ("Shaw River" "the Company") is pleased to announce its first results from an ongoing drilling program underway at its 70% owned Baramine Project, located 80km to the north west of the Woodie Woodie Manganese Mine in the Pilbara of WA. The drilling is targeting manganese mineralisation similar to that at the world-class Woodie Woodie deposits (see targets, Figure 1).

Initial results confirm two new manganese discoveries at Baramine, including high grade drill intersections across a number of existing target areas. Drilling is ongoing and will be extended to 10,000 metres to follow-up key targets, putting Shaw River on track to achieving its goal of a maiden JORC resource for Baramine by the end of 2010. Highlights include:

- **New Discovery at Nells Prospect** (see Fig 1)
  - Significant width and grades in BRC 135 containing 9m at 21.2% Mn from 48m including 1m at 32.8% Mn from 48m.
  - The zone of intense manganese and associated iron mineralisation extends over 400m north-south and 250m wide.
  - Follow up drilling will determine the full extent and potential of the zone and will commence in the current program
- **Area 3 Mineralisation** (see Fig 2)
  - Drilling has extended two known highly mineralised zones and confirmed a third new zone.
  - Main North-South zone containing +30%Mn currently extends over 200m along strike with high quality material intersected, including (see Table 1):
    - 8m at 22.4%Mn from 34m including 2m at 36.2%Mn from 36m in BRC169
    - 11m at 15.1%Mn from 25m including 1m at 32.9% Mn from 27m BRC 172
  - Area 3 mineralised corridor is open to the west, north and to the south for up to 1.5km.
  - A new discovery in Area 3 of 13m of 16%Mn from 17m including 2m at 22.8%Mn from 18m and 2m at 20.9% from 24m in BRC 177 adds a new zone to the prospect
- The current RC drilling program is continuing and will be extended to 10,000m. Further results are expected in September and October 2010
- A diamond drilling program for ore characterisation is being planned on completion of the RC drilling

"This latest drilling at Baramine confirms we have intense manganese mineralisation in zones of significant thickness and width in a very active metal system. We are looking forward to updating the market with more drilling results soon and as we define the economic parameters of our discoveries in the coming months. We plan on defining initial resources at the Project in the December quarter of 2010", commented Managing Director Vincent Algar.

Shaw River will utilise the current drilling results to define resources and begin to evaluate the economics of extracting high grade (+40%Mn) manganese products from the mineralisation. A 40%Mn product currently carries an approximate in-situ market value of US\$240/t (using US\$6/DMTU).

### Strategy for the Baramine Project

Shaw River is targeting an initial manganese resource which will pave the way for a long-life mining operation at Baramine. With the current drill programme expanded to 10,000m, activity over the coming months will provide investors with regular newsflow and will include:

- Further exciting results expected from Area 4, Area 5 and new prospect areas including Keeley's Line and Beebie in September and October 2010.
- Exploration Targets on key prospects will be released on receipt and analysis of all RC drilling results in October 2010.
- A 1,000 metre diamond drilling program for manganese ore characterisation and beneficiation testing will commence once all results have been received – results from testing likely towards the end of Dec 2010.
- Co-incident with diamond drilling, initial Inferred resources will be calculated at key prospects at Baramine, expected before end of December 2010.
- The outcome of economic scoping studies will be released in early 2011
- Heritage, environmental and mining application processes will commence in early 2011

### About Shaw River Resources

Shaw River is a focused manganese explorer, currently operating five Pilbara manganese projects, and holding an 80% stake in a Ghanaian manganese and gold 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, Shaw River will undertake active manganese drilling programs 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

Hole	North	East	From	To	Metres	Mn%	Fe%
<b>BRC135</b>	7689391	287418	48	57	<b>9</b>	<b>21.2</b>	13.7
includes			48	49	<b>1</b>	<b>32.8</b>	3.4
includes			54	55	<b>1</b>	<b>29.3</b>	19.0
<b>BRC168</b>	7685760	290280	13	20	7	14.5	30.8
<b>BRC169</b>	7685800	290240	13	18	7	14.9	20.2
and			34	42	<b>8</b>	<b>22.4</b>	23.5
includes			36	38	<b>2</b>	<b>36.2</b>	16.2
<b>BRC171</b>	7685720	290240	28	31	3	10.2	11.4
<b>BRC172</b>	7685680	290240	25	36	11	15.1	17.7
includes			26	29	<b>3</b>	<b>24.8</b>	21.2
<b>BRC173</b>	7685720	290280	47	50	3	14.9	4.7
<b>BRC174</b>	7685680	290280	14	18	4	13.8	20.0
and			23	26	<b>3</b>	<b>19.6</b>	27.9
includes			24	25	<b>1</b>	<b>29.1</b>	24.5
and			37	48	11	14.6	22.3
<b>BRC175</b>	7685640	290280	15	21	6	11.9	25.3
<b>BRC177</b>	7685475	290150	17	30	13	16.0	12.6
includes			18	20	<b>2</b>	<b>22.85</b>	27.0
Includes			24	26	<b>2</b>	<b>20.9</b>	6.9

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

Hole	North	East	From	To	Metres	Mn%	Fe%
<b>BRC135</b>	7689391	287418	19	36	17	8.1	31.7
<b>BRC137</b>	7689373	287532	2	6	4	0.8	38.1
<b>BRC144</b>	7688650	288325	109	113	4	8.6	33.5
and			120	124	4	3.9	<b>41.9</b>
<b>BRC167</b>	7685760	290235	5	8	3	9.3	33.7
<b>BRC173</b>	7685720	290280	77	81	4	2.4	<b>42.5</b>
<b>BRC174</b>	7685680	290280	18	22	4	4.5	34.9
and			25	30	5	7.3	<b>45.5</b>
<b>BRC175</b>	7685640	290280	21	24	3	2.3	<b>54.5</b>

Table 2 Significant Iron RC drill Intersections, current program, Baramine.  
Vertical and angle holes. RC drilling samples, riffle split, 2-5kg samples, Analysis by X-Ray Fluorescence.  
Cutoff grade used for significant intersections: Greater than 30% Fe.

#### 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.

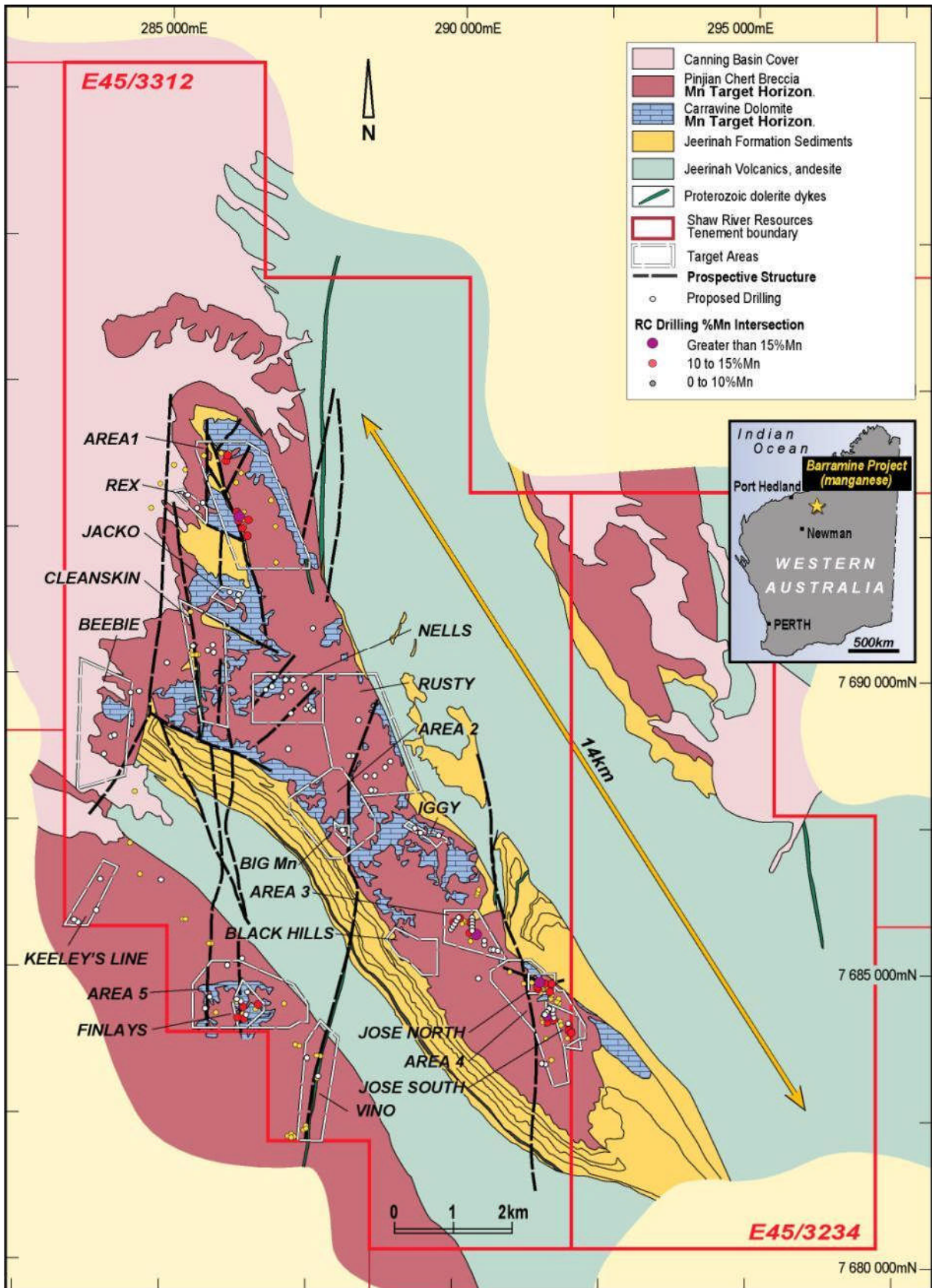


Figure 1. Baramine geology showing previous Shaw River drilling and current program target areas

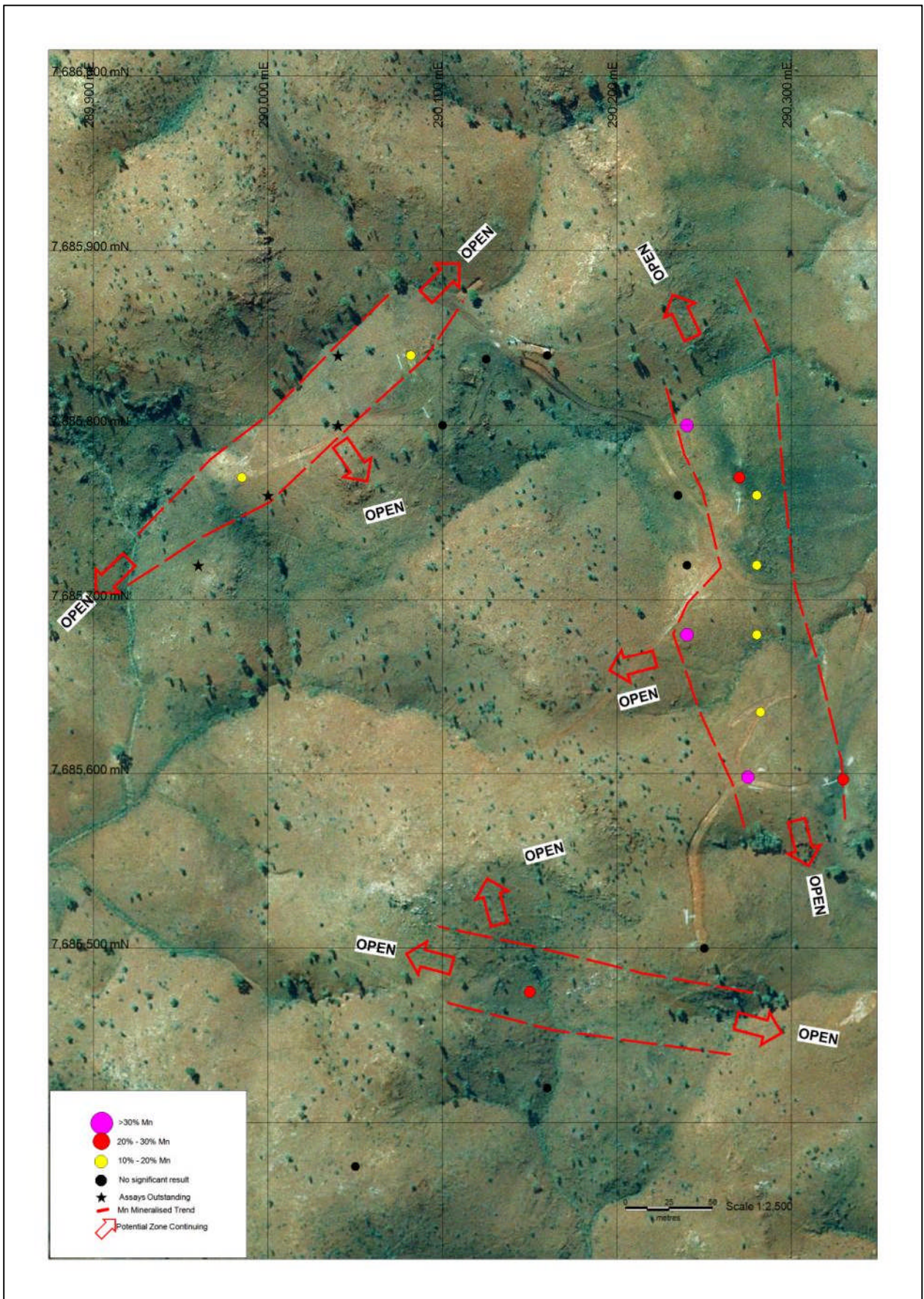


Figure 2. Area 3 Current Drill Results showing resource target areas and potential.