

Subsurface Manganese Mineralisation Discovered at Baramine

Shaw River Resources Limited ("Shaw River" or "the Company") (ASX Code: SRR) is pleased to announce the discovery of extensive sub-surface manganese (Mn) mineralisation at its Baramine Project.

This first-ever drill program in the project area has returned 45 significant sub-surface manganese drill intersections spread across 14km of exposed target geology. Manganese of over 15% Mn and up to 38.7% Mn has been intersected in 16 of the 61 holes drilled. Shaw River's Baramine Project is located 80km to the north west of the Woodie Woodie Manganese Mine in similar geology.

Highlights from the drilling results include: (See Figure 1 and Table 1):

- Area 1 1.5km long Mn trend identified ,with only 350m of strike extent tested
 - 9m at 16.8% Mn from surface including 3m at 32.6% Mn and 1m at 38.7% Mn from 3m in BRC008
- Area 3 660m long Mn trend indentified
 - 5m at 24.1% Mn from surface in BRC018
 - 3m at 20.2% Mn from 32m in BRC021
 - 8m at 15.6% Mn from 8m in BRC026
- Area 4 850m long Mn trend identified
 - 3m at 17.1% Mn from 27m in BRC034
 - 7m at 13.1% including 3m at 17.9% Mn from 31m in BRC035
 - 4m at 19.8% Mn including 2m at 21% Mn from surface in BRC038
 - 16m at 11.7% Mn from 22m in BRC039
 - 4m at 19.3% Mn including 2m at 26% from 30m in BRC043
- Drilling returned significant near-surface intercepts in wide zones of strong manganese dissolution and mineralisation in each of the areas tested, typical of first pass drill results on hydrothermal manganese bodies in the East Pilbara Manganese Province
- The presence of coarse silica, fine-grained iron and very low impurity elements (S, P, Ba, Pb, Al₂O₃) indicate that beneficiation of the material will yield a considerable upgrade of 10%-20% Mn source material to a high quality Mn product through gravity or heavy-media beneficiation. This testwork will be undertaken during July-August 2009.

Vincent Algar, Shaw River's Managing Director commented:

"The exploration results to date confirm our view that Shaw River's Baramine Project has the potential to host significant manganese mineralisation. This first round drilling successfully tested Shaw River's exploration model by delineating significant manganese mineralised trends for further follow up, as well as opening up the entire project for further discoveries. Baramine is well located just 300km from Port Hedland with road and rail infrastructure nearby, further demonstrating the projects development potential."

Technical Summary

The Baramine Manganese Project is located 300km from Port Hedland at the northern end of the East Pilbara Manganese Province that has a manganese production history of over 50 years. Baramine lies 80km to the northwest of the largest and currently manganese producing area at Woodie Woodie, with the manganese mineralisation discovered to date hosted within the same geology as that at Woodie Woodie

The Baramine Manganese Project contains an area of over 70km² of manganese target rocks in the Pinjian Chert and Carawine Dolomite Formations. Shaw River has identified over 100 Mn occurrences throughout the project area. A complete inventory of the surface mineralisation, determination of the structural controls and Mn dissolution intensity and technical analysis of the drill results reported today are being used in target identification. Detailed mapping, airborne magnetics and a dipole-dipole IP survey will be undertaken to develop further drill targets.

Planning for follow up drill testing based on this recently completed drill program is already underway. A second drilling campaign of 3,000 metres is planned for mid-September 2009 and will include targets in Prospect Area 2 not drilled in the current program.

The drilling results clearly indicate the significant potential for economic manganese in the project area. Traditionally the higher grade manganese orebodies (+30% Woodie Woodie type) are generally limited in size with mineralised halos, and exhibit strong structural controls on their geometry. Shaw River's exploration strategy is to integrate all available information, and advance the Baramine project over the remainder of the year, with the aim of completing further drilling in multiple areas targeting high grade orebodies.

Following the completion of the current drilling program, Dr Joe Drake-Brockman, an independent manganese consultant with considerable manganese experience in the East Pilbara region, visited the drill sites and supplied the company with a review and recommendations for future exploration. Based on Dr Drake-Brockman's review, Shaw River will quickly advance its exploration in these highly promising target areas. (Figure 1).

Area 1 Prospect

Manganese drill intersections up to 38.7% Mn and mineralized zones up to 13m wide, accompanied by surface Mn dissolution over a 1.5km strike length is located along a major NNW trending fault. Drilling has only tested 350m of this zone, and with the results received to date, significant potential exists in this area. Further structural mapping, reprocessing of gravity data, and drilling are planned.

Area 3 Prospect

Manganese drill intersections up to 31% Mn and 15m wide zones containing over 10% Mn were intersected in drilling. Strong Mn dissolution is located along two distinct structures. Holes BRC018-021 intersected dissolution and mineralisation along a 400m long NNW structure, whilst BRC024 and BRC026 intersected strongly anomalous mineralisation along a 260m long NE trending fault. In both cases, the strike extent of the structures remains open and further mapping, reprocessing of gravity data and follow up drilling is planned for the next few months.

Area 4 Prospect

Manganese intercepts in 11 drillholes with mineralisation along two NW trending faults over a combined strike length of at least 850m has been outlined. Further mapping, reprocessing of gravity data and close-spaced drilling (40m centres) are planned to measure the extents of the mineralisation located by the current drilling.

Area 5 Prospect

Highly anomalous mineralisation and strong dissolution is located along two NE trending splays off a major N-S structure. The significant amount of Mn, strong limonite halo, significant fault zone with NE jogs, and a possible ring structure indicates that the area contains all the parameters for the location of a significant body of Mn mineralisation. A dipole-dipole IP survey (very successful in locating large Woodie Woodie orebodies) will be completed in the coming quarter, with reprocessing of gravity data, structural mapping and further drilling.

About Shaw River's Manganese Strategy

Manganese is a critical component in modern steelmaking, with potential quality deposits in the world's best manganese belts being highly sought after. Both Bootu Creek(OM Holdings) and Woodie Woodie (Consolidated Minerals) feed manganese ore of around 20% grade into their beneficiation plants, producing +40% grade manganese products. Australian manganese ores from Bootu Creek, Woodie Woodie and Groote Eyland (BHPB) attract premium prices in the world markets.

In addition to the Baramine Project, Shaw River currently has the near surface shale hosted Mn occurrences at the 701 Mile Project, 60km South of Newman and the dolomite-hosted Mn occurrences at the Mt Minnie Project in the West Pilbara region, where samples assaying over 40% Mn have been identified in greenfield targets generated by the Company.

Shaw River Resources is a West Australian based mineral exploration company, with over 7,000 km² of exploration leases forming 9 projects in the Pilbara region of Western Australia.

Shaw River's manganese exploration strategy has the support of its largest shareholder Atlas Iron as it explores at Baramine. Shaw River is well funded with \$3.5 million in cash.

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

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

Area	Hole ID	Depth	M East	M North	m From	M To	Mn% Intersection	Fe%	SiO2%
Area 1	BRC007	24	286220	7692660	3	12	9m at 8.4%		
				includes	3	5	2m at 11.3%		
Area 1	BRC008	24	286250	7692630	0	9	9m at 16.9%		
				includes	3	6	3m at 32.6%	12.9	15.1
					4	5	1m at 38.7%	7.7	16
Area 1	BRC010	24	286300	7692500	2	15	13m at 9.2%		
Area 1	BRC011	24	286370	7692350	8	11	3m at 9.7%		
Area 3	BRC016	42	290380	7686340	0	2	2m at 16%		
Area 3	BRC018	48	290325	7685600	0	5	5m at 24.1%	17.0	11.8
Area 3	BRC019	54	290280	7685600	20	21	1m at 31.9%	21.5	3.8
Area 3	BRC021	54	290270	7685770	29	35	6m at 15%		
				Includes	32	35	3m at 20.2%	9.7	46.2
Area 3	BRC024	36	290080	7685840	7	11	4m at 9.5%		
Area 3	BRC026	36	289985	7685770	5	20	15m at 12.9%		
				includes	8	16	8m at 15.6%		
					8	9	1m at 21.6%	8.9	47.8
					13	14	1m at 24.7%	22.8	19.4
Area 4	BRC031	36	291450	7684690	8	10	2m at 11.4%		
Area 4	BRC032	42	291410	7684690	22	26	4m at 9.6%		
Area 4	BRC034	48	291500	7684730	25	31	6m at 14.4%		
				Includes	27	30	3m at 17.1%		
Area 4	BRC035	54	291550	7684730	31	38	7m at 13.1%		
				includes	36	37	1m at 23.1%		
					35	38	3m at 17.9%		
Area 4	BRC037	48	291380	7684740	5	8	3m at 13.1%		
					14	26	12m at 11.6%		
				Includes	24	26	2m at 18%		
Area 4	BRC038	54	291380	7684760	0	4	4m at 19.8%	27.2	19.1
					1	3	2m at 21.2%	23.9	21.2
					11	17	6m at 9.5%		
Area 4	BRC039	66	291400	7684760	4	8	4m at 11%		
					22	38	16m at 11.7%		
				Includes	22	24	2m at 16%		
					60	61	1m at 20.4%	25.9	21.8
				Includes	17	21	4m at 13.3%		
Area 4	BRC043	54	291450	7684780	30	34	4m at 19.35%	20.1	25.0
				Includes	32	35	2m at 26%	19.7	16.5
					31	34	3m at 17.3%		
Area 4	BRC044	24	291630	7684610	2	7	5m at 10.76%		
Area 4	BRC050	50	291962	7683970	11	13	2m at 14.4%		
					19	21	2m at 12%		
					23	32	7m at 7.2%		
Area 4	BRC053	48	291965	7684009	4	16	12m at 8%		
Area 5	BRC057	48	286377	7684301	2	4	2m at 11.6%		
Area 5	BRC060	24	286638	7684342	7	10	3m at 8.2%		

Table 1. Significant Intersections, Baramine Manganese Project. All holes vertical orientation. RC drilling samples, riffle split, 2-5kg samples, Analysis by X-Ray Fluorescence. Cutoff grade used for significant intersections of greater than 9.5%Mn and intersections greater than 2m in width.

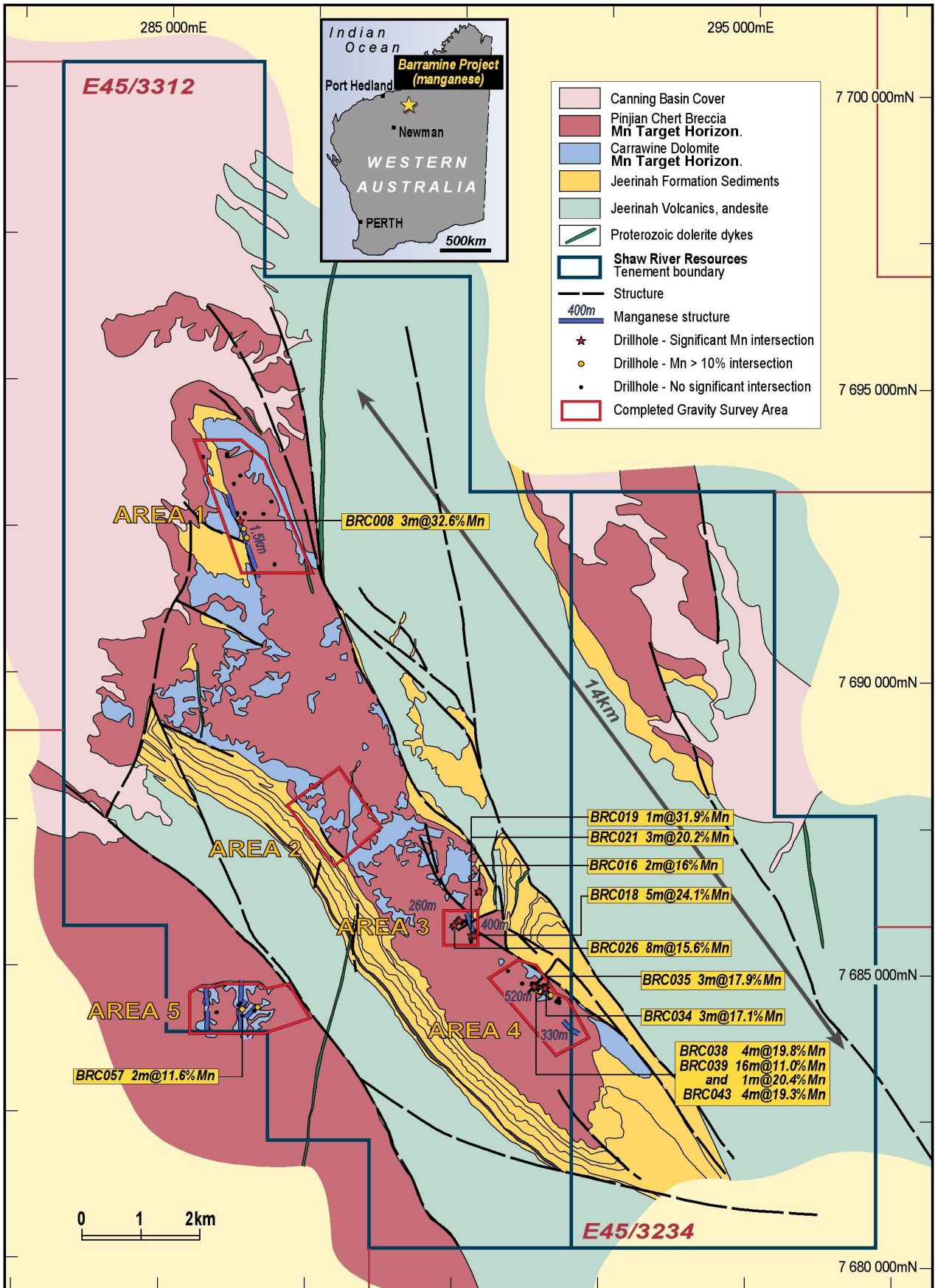


Figure 1. Shaw River Resources, Baramine Project Geology, drilling and target areas, June 2009