



ASX ANNOUNCEMENT

10 May 2007

Shaw River Targets Mt Minnie Channels for uranium

Shaw River Resources today announced its plans to drill for uranium at its prospective Mt Minnie project 200km SW of Karratha.

The extensive palaeochannel system identified by previous drilling near Mt Minnie during the 1970s resulted in the discovery of the Manyingee, Spinifex and Bennetts Well sandstone hosted roll-front uranium deposits.

Shaw River's managing director Vincent Algar commented, "We have reviewed the Mt Minnie data specifically for uranium potential within the palaeochannel system which crosses the western parts of our tenements, and we have some exciting targets to follow up"

"Two specific areas have been selected for immediate follow up drilling, both located within sand units in the Mt Minnie channel. The areas show anomalous radiometry in historical drilling"

The company's large tenement holding is less than 10 km north of Paladin Resources' Manyingee palaeochannel deposit. Page 19 of Paladin's 2006 Annual Report contains a table showing the current resources of the Manyingee deposit. Using a 300ppm U₃O₈ cut off grade, Manyingee has indicated resources of 8,080 t U₃O₈ (7.9 mt at 0.10% U₃O₈) and inferred resources of 2,280t U₃O₈ (4.2 mt at 0.07% U₃O₈) (- source Paladin Web site: <http://www.paladinresources.com.au>)

Historical exploration by Minatome, CRA, WMC and Total Mining Australia confirmed the presence of stacked roll front uranium mineralisation in the area. Minatome also confirmed the local enrichment of Proterozoic granites in leachable uranium. One of these enriched granites, likely the source of uranium for Manyingee, outcrops on Shaw River's tenements at Mt Minnie. Two historical grab samples of this granite showed values of 40 ppm and 90 ppm U respectively.

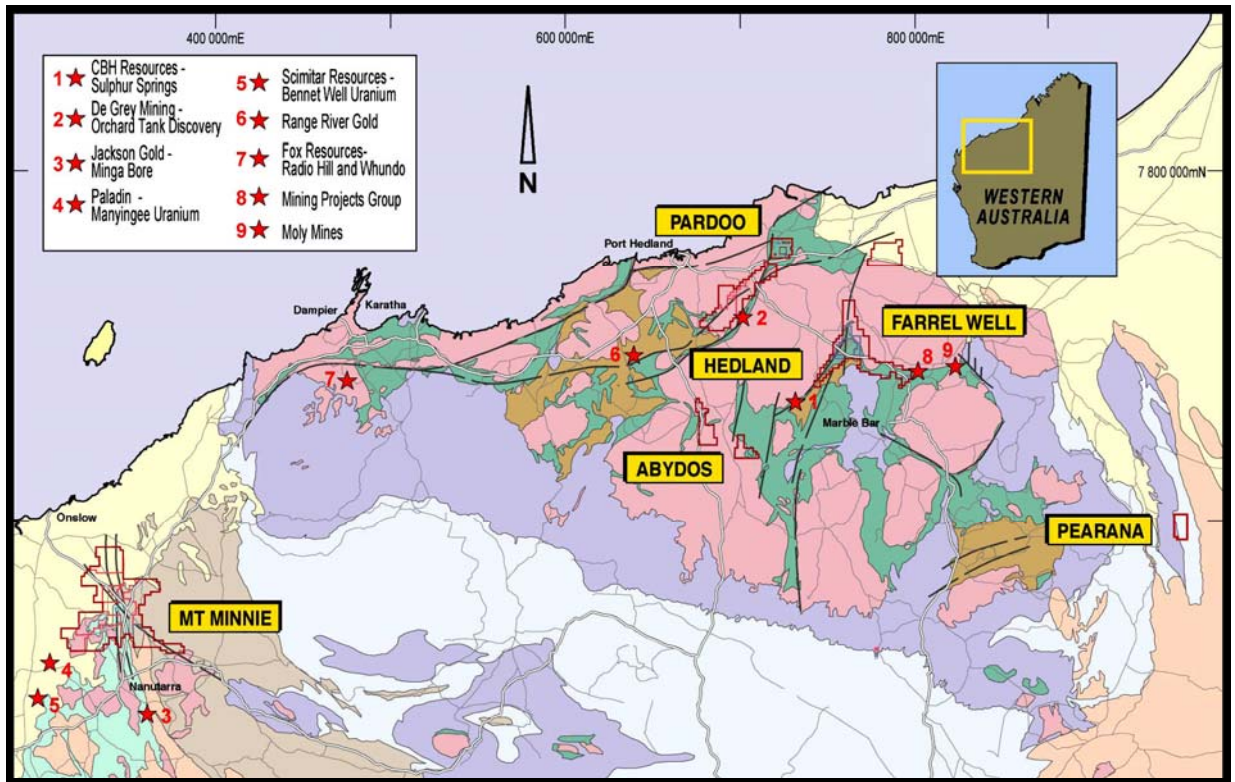
The company is securing suitable drill rigs and equipment and plans to begin drilling at the Mt Minnie channel targets later in 2007.

Background on Shaw River

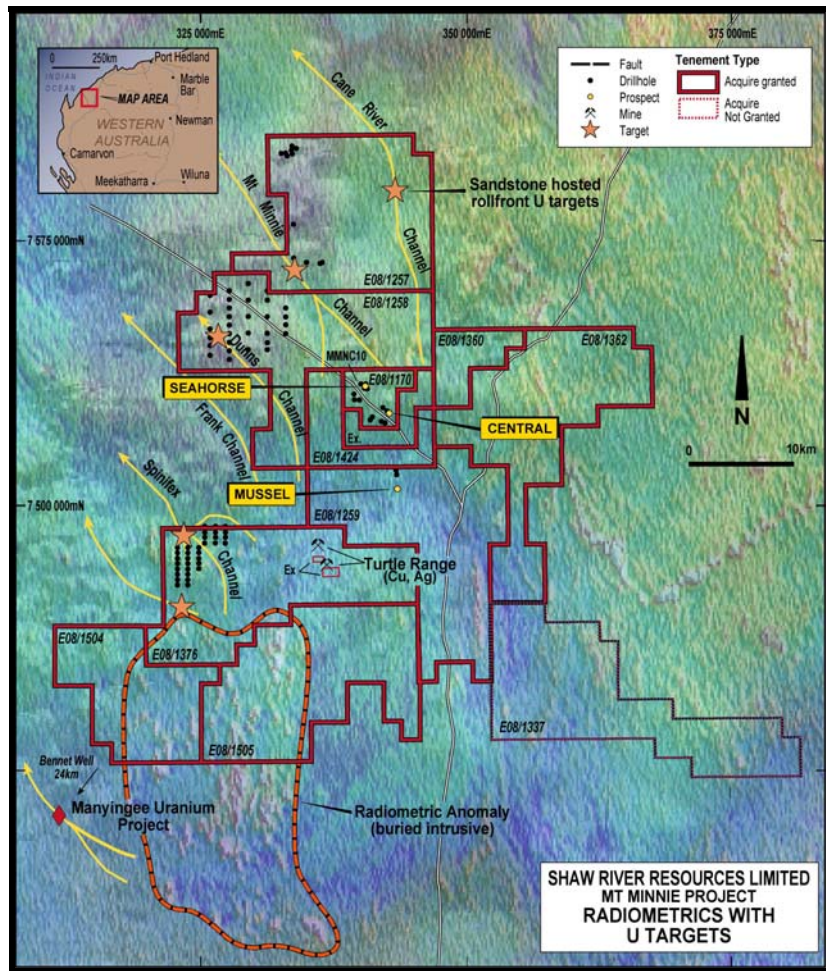
Shaw River holds tenements and mineral rights in tenements which together total some 4,975 square kilometres in the Pilbara region of Western Australia. The Company is systematically exploring its portfolio of tenements which are prospective for gold, base metals and uranium. Exploration will have a major drilling component in an effort to fast track exploration success and potential mine development.

Shaw River Resources currently has \$4.6 million in cash available.

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



Project Location Plan



Mt Minnie Tenements, showing palaeochannels.