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Shaw Acquires Eight Tenements Prospective for Manganese and Iron Ore

Shaw River Resources Ltd

ABN 85 121 511 886

ASX Code: SRR

708 Murray Street
West Perth
Western Australia 6005

PO Box 1259
West Perth WA 6872

Phone +61 8 9226 4455

Fax +61 8 9226 4255

www.shawriver.com.au

Contacts

Mr Vincent Algar
Managing Director

vincenta@shawriver.com.au

Projects

BARRAMINE/ 701 MILE

East Pilbara
manganese

HEDLAND/DONALD WELL

East Pilbara
gold, zinc-silver

MT MINNIE

Ashburton
copper-gold, lead-silver,
manganese

ABYDOS

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

PARDOO/GOLDSWORTHY

East Pilbara
gold, zinc-copper, nickel

PEARANA

Far East Pilbara
copper, gold



Shaw River acquires 85% Interest in Eight Tenements prospective for Manganese and Iron Ore

Shaw River Resources Ltd ("Shaw River") ("SRR") is pleased to announce the acquisition of an 85% interest in the eight Ashburton tenements adjacent to its Mt Minnie Project in the Ashburton region of WA from Contact Uranium Ltd ("Contact"). The tenements are considered prospective for manganese, copper, tungsten, gold and uranium and iron ore.

"These acquisitions extend our Mt Minnie tenement holding by 370km² to 2500km². We consider the entire area as having excellent prospectivity for large scale mineral deposits. We will focus on manganese, iron ore and base metal exploration on the tenements. The acquisition complements our existing portfolio and builds upon Shaw River's Manganese strategy" commented Vincent Algar, Shaw River's Managing Director.

Highlights of the tenements being acquired are:

- An anomalous manganese-iron rich dolomite horizon related to a prominent structure and unconformity surface occurs on the tenements over a distance of 25km. The horizon is a primary target for manganese, iron and base metal exploration.
- The area is considered prospective for buried CID (Channel Iron Deposits), which occur elsewhere in the region related to ancient drainages.
- Drilling at the historical Mt Murray copper workings identified anomalous copper grades including 3m at 0.27% Cu. High grade copper and silver were worked historically at the Mt Murray with grades up to 500 g/t silver reported.
- Sampling by Contact returned samples up to 5.14% Copper and 26.7 g/t Silver from the Mount Murray Workings.
- Historical exploration in the area has reported small, but high grade occurrences of copper, silver, lead, tungsten, tantalum barite and fluorite bearing pegmatite. The occurrences are often associated with the intersection of carbonate rocks (dolomites, limestones and marbles) and West-North West trending regional structures.
- Tungsten mineralisation, in the form of wallasonite (W₂O₃) will be targeted at known granite/carbonate contacts on the tenements.
- The tenements consist of eight granted tenements.
- Shaw River plans to expand its current Mt Minnie exploration program into this new area, beginning with integration of the newly acquired data with Shaw River's extensive GIS database.

Key Terms of the Acquisition:

- Shaw River will acquire an 85% interest in eight granted tenements held by Contact covering 370km² to the south of Shaw River's ten Mt Minnie tenements in the Ashburton region of WA.
- Contact retains a 15% free carried interest in the tenements until a decision to mine, at which point it can elect to contribute to the project's development or sell the rights to SRR or its nominee.
- The consideration is 2,000,000 ordinary shares in SRR and 1,000,000 20 cent 5 year options. These securities will be issued upon signing of a Formal Agreement between the parties, within 90 days of signing the Letter Agreement signed on 6 October 2008. A voluntary escrow period of three months will apply to issued securities. The value of the shares is based on the 5 day VWAP price at the date of the signing of the letter agreement with Contact.
- The acquisition and issue of shares and options is subject to the receipt of all necessary regulatory approvals including shareholder approval, which will be sought at the annual general meeting of shareholders to be held on 18 November 2008.

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 who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Vincent Algar is a full-time employee of the company and 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'. Mr Vincent Algar consents to the inclusion in the report of the matters based on their information in the form and context in which it appears

