



## Otjonzondu Mining

Shaw River 75.5% owners of  
Otjonzondu Holdings (Proprietary) Limited



## OTJO - A WORLD-CLASS MANGANESE PROJECT IN NAMIBIA

Shaw River Manganese is rapidly developing its flagship, world-class manganese asset, the Otjo Project in Namibia, with first production planned in 2012. This places the Company in an outstanding position to generate significant cashflow which will in turn, underpin further growth.

The Otjo Project licenses cover 1300km<sup>2</sup> and have multiple manganese exploration prospects offering immense exploration potential. The Otjonzondu manganese field is located on the eastern end of the Okahandja lineament - a prominent geological structure in Namibia. The manganese horizon extends over 144km of strike, with only 15% drill tested to date. Drilling is expected to at least double the initial manganese resource.

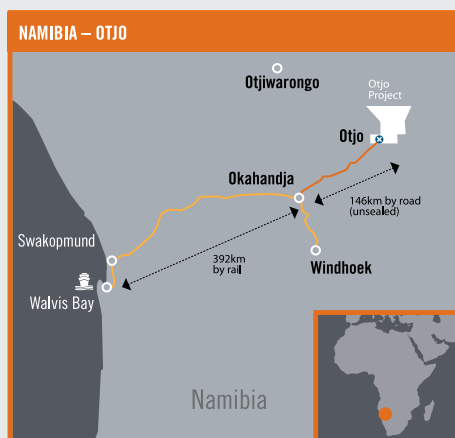
The results of the recent scoping study indicate that Otjo will produce strong cash flows, commencing in 2012.

Namibia is a politically stable African democracy with a modern system of mineral tenement management and rapidly developing mining and exploration industry. The development is well-supported by established infrastructure and a range of experienced suppliers, service providers and equipment.

As Shaw River progresses the Otjo Project to production, the Company will join the ranks of only a few listed open-pit manganese mining companies worldwide, in line with the Company's strategy to become a significant global manganese producer.

### KEY FACTS:

OTJO	
Location	Namibia
Ownership	Shaw River 75.5% Oreport 24.5%
Resources	Initial JORC resource 6.8 Mt at 23.1% Mn Exploration Target 35-50 Mt
In-situ Grade	23% - 25% Mn
Target Product Grade	38% - 40% Mn
Distance to Port	538km
Production Targets	CY2012 - 250ktpa rate CY2015 - 500ktpa rate
% of Strike Tested	15%



## PROJECT HIGHLIGHTS

- Maiden JORC Inferred Resource estimate of 6.8 Mt grading 23.1% manganese based on existing diamond drilling (22,000m) and RC drilling (11,000m) (July 2011).
- 6,000m drill program completed November 2011.
- Revised resource calculation underway.
- Grade can be increased to export standard by simple beneficiation.
- Exploration target of 35 Mt to 50 Mt at 23% to 27% Mn.
- Extensive road, rail and port infrastructure including bulk commodity port facilities at Walvis Bay.
- Licences covering 1,367km<sup>2</sup> with granted mining leases in place.
- Feasibility study progress on track.
- Planning initial manganese production at 250ktpa rate in 2012.
- Production planned to ramp up rapidly to 500ktpa per annum.
- RC and diamond drilling underway focused on resource quality upgrade and resource extension.
- Beneficiation test samples (PQ core) despatched to Perth lab and undergoing metallurgical testing.
- MSP Engineering (Perth) awarded processing design contract.

Shaw River's Scoping Study demonstrates low capital cost, low operating cost and strong manganese production that is significantly leveraged to the manganese price.

Study level	Scoping Study
Production profile	Initial 250ktpa of manganese product Targeting ramp-up to 500ktpa
Targeted average manganese product grade	38%Mn - 40%Mn
Planned year for first production	2012
Estimated capital cost	Initial A\$37 million for 250ktpa production Additional A\$22 million for 500ktpa production
Stripping ratio estimates	4.3 to 1
Expected Resource – Reserve conversion (%)	35%

Scoping economics suggest low cash costs at Otjo due to:

- Low cost operating environment in Namibia
- All resources currently shallow (<85m depth) and open pittable
- Resources close to established infrastructure
- Simple and low cost beneficiation process expected based on recent manganese production
- Ore product to be shipped from an existing port at Walvis Bay with capacity and access

## ABOUT SHAW RIVER MANGANESE

- Shaw River Manganese is a rapidly growing ASX-listed company with a strong pipeline of globally significant manganese projects from near term production to exploration in Africa and Australia.
- Exploration targeted at large, high-grade manganese deposits.
- Listed on ASX (ticker code SRR).
- Rapidly advancing projects.
- Five exploration projects in the rich Pilbara region of Western Australia. Manganese grades of up to 45.8% already intersected in drilling at the Baramine Project in the Pilbara.
- 80% stake in Butre Project in Ghana, robust grades intersected, more drilling underway.
- Strong support of our largest shareholder, Atlas Iron Limited.
- Board and Management team capable of delivering exploration and production outcomes.
- Strong global resource fund support.

Invest now in Shaw River's strategy to become a global leader in manganese exploration and production.

