

Impressive year ahead for exploration house

Shaw River Ltd is continuing its manganese quest in the midst of a rise in both price and demand for the carbon steel material.

The junior currently has four Pilbara projects producing strong field results.

This includes the flagship Barramine play, which will be subjected to a major drilling program during the June quarter.

This – along with a stronger (80%) acquisition at the Butre project in Ghana – should make for an impressive year for the junior.

More than 940 metres of aircore drilling was done at the Ghanaian project, which lies 30 kilometres from the port of Takoradi, with manganese intercepts of 26 metres at 21.2% manganese (including 2m at 32.2%) and 4m at 22.9% returned.

Further definition drilling is due in the second half of 2010.

The junior is taking a two-pronged approach at Barramine – located 280 km east of Port Hedland – and is looking for both direct shipping ore (DSO) bodies (with grades of over 40% manganese) as well as resources to sustain a beneficiation-based project (from ore at less than 20%).

Work in the last quarter has concentrated around evaluation of electromagnetic and gravity survey data to prepare for the later

drilling work, with 50 conductors picked up and a clearer definition of high grade perimeters across three regions totalling 7.6 km.

The anticipated program will cover 6,000-8,000m and company managing director Vince Algar said he expected it would be the definitive step towards resource definition.

“We are refining our geological model and targeting at Barramine based on new geophysical and geological data sets, and we look forward to the upcoming drill program to validate our search for high grade DSO manganese within the project,” he explained.

“Our target is a JORC compliant inferred resource over the coming months.”

A significant portion of the June exploration (3,000m) will centre on closed-spaced drilling around significant intersections in two main areas, with the remainder (3,000-5,000m) testing more recently identified targets across the project.

The junior’s other three Pilbara manganese plays are also moving along, with 1,273m of aircore work completed at its 70%-owned 701 Mile project, which tested the depth of the laterite plain. Algar now believes the deposit’s potential is coming close to clearer definition.

“Drilling conducted during the quarter

has identified areas of extensive low grade manganese-rich gravels at the project,” he said.

“The beneficiation potential of the exploration target will be explored in the coming months.”

Drill targeting has yielded a suggested resource of 1.5-2 Mt resource at 10-12% manganese. Shallow mineralisation is also on the cards.

Meanwhile, work at Shaw River’s wholly-owned Dingo Creek project – which sits on the western fringe of the Ullawarra Formation – has centred on rock chip sampling and other early evaluation. Algar said he was impressed with the early indications from the site.

“The Dingo Creek project covers a large and underexplored area and our first pass reconnaissance results indicate that we have encouraging manganese geology and mineralisation,” he noted.

“We look forward to rapidly advancing this project over the coming months.”

The junior also has a six-month option on the nearby De Grey Mining Ltd tenements, which are contiguous with the current Dingo Creek holdings.



Vince Algar