

## SHAW RIVER RESOURCES LIMITED

### Drill Success Leads to Busy Times Ahead

Shaw River Resources Limited ("Shaw River", "SRR", "Company") has a solid period of work ahead following drilling success at its Baramine and Butre projects. Results to date from the Baramine project, located in the east Pilbara region of WA, have indicated good potential for economic grades and tonnages of manganese mineralisation. Likewise at its Butre project in Ghana, the initial drill program completed earlier this year highlighted good potential for substantial manganese mineralisation located close to a port. The planned work should lead to a solid flow of news relating to ongoing drill results, potentially initial resources for Baramine and Butre, as well as metallurgical test work results and development studies.

### Baramine resource and development studies 1H 2011

Shaw River has completed ~10,000m of drilling at Baramine (SRR 70%) to date, yielding good results. The drilling, on a number of areas within the project, has demonstrated that there is good potential for beneficiable ore. Better results include:

- 14m @ 21% Mn *incl.* 1m @ 45.8% Mn
- 2m @ 27.6% Mn and
- 8m @ 22.4% Mn *incl.* 2m @ 36.2% Mn

The Company is primarily focusing on identifying +18% Mn mineralisation which can be upgraded to a +40% Mn product. Whilst there is also potential for some higher grade direct shipping ore material, as demonstrated by the +40% Mn intersections, the beneficiable ore is likely to dominate the overall resource. Shaw River has an initial exploration target of 10mt-15mt at 18%-25% Mn.

The Company has planned ~1,000m of diamond drilling, as well as ~15,000m of RC drilling, with the aim of determining an initial resource for the project. In addition, Shaw River is undertaking development studies, as well as metallurgical test work to determine the ores amenability to beneficiation.

### Ghana potential to be tested soon

Shaw River's preliminary drill program at Butre (SRR 80%) highlighted that there is good potential for economic manganese mineralisation, returning a number of +20% Mn intersections. The initial program was drilled using an aircore rig, and was unable to effectively test the depth potential of the mineralisation. Consequently, the Company is planning a 1,500m reverse circulation ("RC") drill program in the current quarter to test the strike and dip extents. Bulk sampling and beneficiation testwork on the manganese mineralisation is also planned in the current quarter, in addition to development studies. Given the project is only 30km from the bulk port of Takoradi, we see good potential for a timely development of the project, should sufficient manganese mineralisation be defined.

The Company also plans to test a number of gold targets which have historic ore grade intersections up to 4.1g/t. We see the gold at Butre as the sleeper asset amongst Shaw's projects, with very encouraging early stage drill results that may indicate the presence of a sizeable gold deposit.

15 Nov 2010

**Share Price (last):** \$0.135

**Brief Business Description:**

Manganese Focussed Explorer

**Hartleys Brief Investment Conclusion**

Promising high grade manganese targets in the Pilbara

<b>Issued Capital:</b>	226.9m
- fully diluted	228.5m
<b>Market Cap:</b>	\$30.6m
- fully diluted	\$30.8m
<b>Cash (est)</b>	\$6.0m
<b>EV</b>	\$24.6m

**Main Projects**

Baramine (WA)	Mn
701 Mile (WA)	Mn
Mt Minnie (WA)	Mn, Cu, Au
Skull Springs (WA)	Mn
Dingo Creek (WA)	Mn
Butre (Ghana)	Mn, Au

**Board & Management**

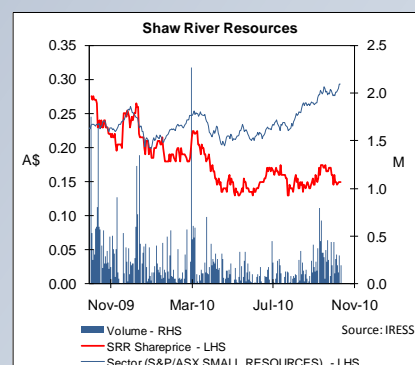
Tony Walsh (Chairman and Co. Sec.)  
 Vincent Algar (MD)  
 Ken Brinsden (Non-Exec. Dir.)  
 Glenn Martin (Expl. Manager)

**Major Shareholders:**

Atlas Iron Limited	45.4%
OM Holdings Limited	12.4%

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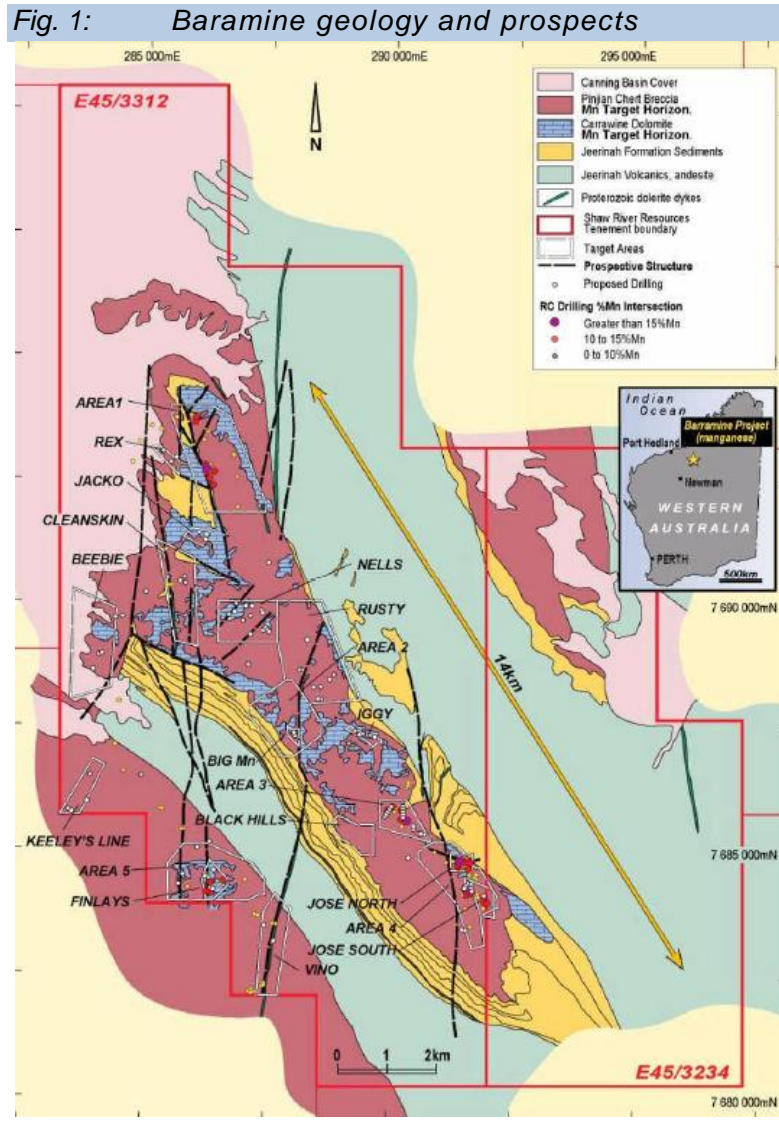
Hartleys has provided corporate advice within the past 12 months and continues to provide corporate advice to Shaw River Resources Limited. See back page for full disclosure.

Baramine is located in the same rock types as the nearby Woody Woody manganese mining centre

Drilling to date has confirmed that a number of prospects within Baramine have ore grade manganese

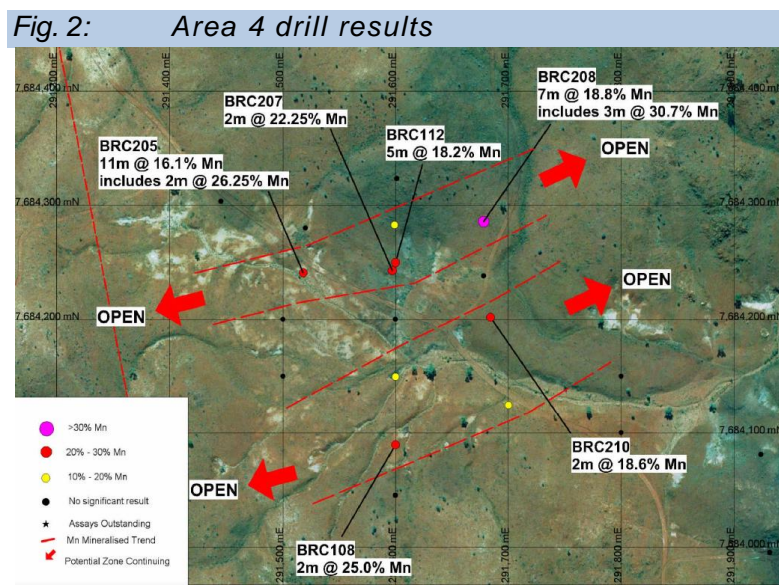
The manganese mineralisation can be complex, requiring substantial work to determine the size, geometry and depth extent of each deposit

Better results to date have come from Areas 1, 3, 4 & 5



Source: Shaw River Resources Limited

Area 4 has displayed good grades and thicknesses over a significant strike length, demonstrating good potential for a sizeable manganese deposit.



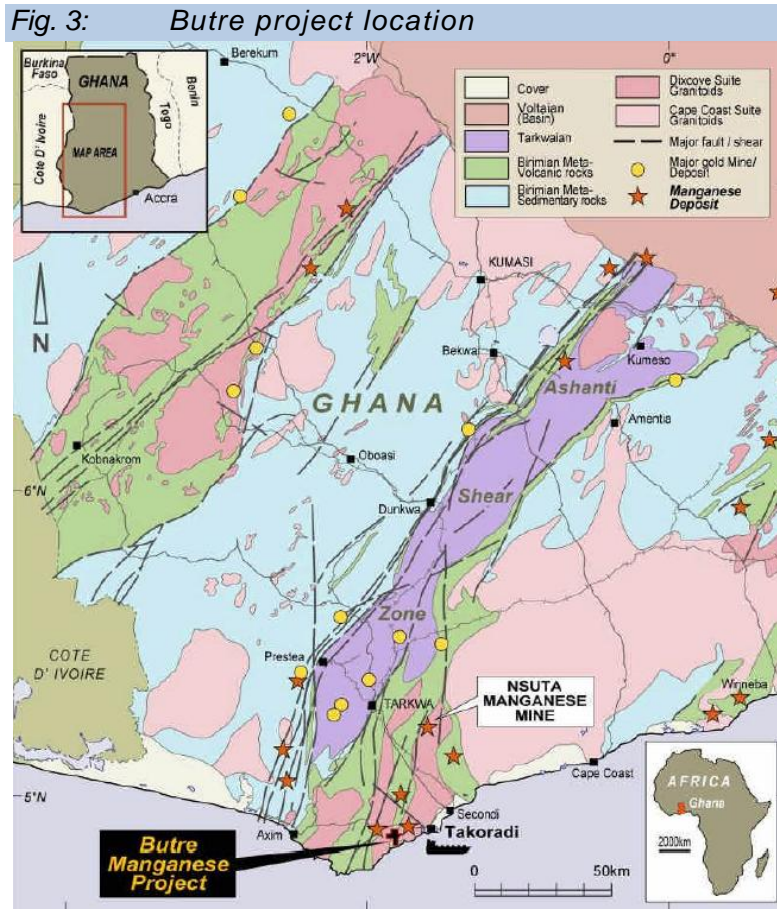
Source: Shaw River Resources Limited

**Fig. 3: Butre project location**

*Butre is located in favourable geology along strike from the large Nsuta manganese mine*

*The project also has good gold prospectivity, with numerous large deposits in the region*

*Good infrastructure, with the Takoradi port only 30km away*

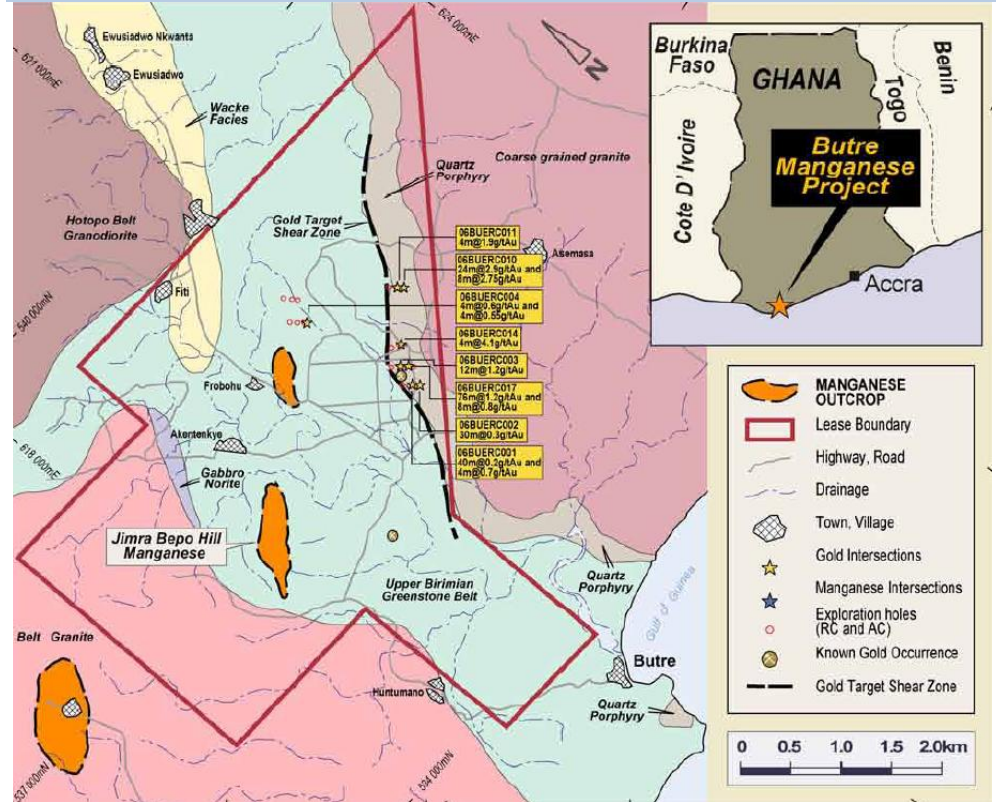


Source: Shaw River Resources Limited

**Fig. 4: Butre project manganese and gold prospects**

*Butre contains two sizeable manganese rich hill, with the largest, Jimra Bepo Hill, being the focus of the previous drilling.*

*Historic gold intercepts on the east of the project will be followed up in the pending drill program*



Source: Shaw River Resources Limited

# HARTLEYS RESEARCH COVERAGE LIST

Hartleys Research Coverage						Hartleys Research Coverage					
Name	Ticker	Last Price*	M. CAP (\$m)	Status	Hartleys Research Recommendation	Name	Ticker	Last Price*	M. CAP (\$m)	Status	Hartleys Research Recommendation
<b>Resources</b>						<b>Oil &amp; Gas</b>					
<b>Gold</b>						<b>Conventional Oil &amp; Gas</b>					
1. Intrepid Mines Limited	IAU	1.60	683	Explorer	Speculative Buy	1. Woodside Petroleum Ltd	WPL	46.13	35,988	Major	Buy
2. Integra Mining Limited	IGR	0.600	453	Producer	Speculative Buy	2. Nexus Energy Ltd	NXS	0.46	436	Developer / Explorer	Speculative Buy
3. Silver Lake Resources Limited	SLR	2.240	400	Producer	Buy	3. Carnarvon Petroleum Ltd	CVN	0.51	350	Producer / Explorer	Buy
4. Beadell Resources Limited	BDR	0.610	379	Developer	Speculative Buy	4. Tap Oil Ltd	TAP	0.83	129	Producer / Explorer	Buy
5. Dominion Mining Limited	DOM	3.410	352	Producer	Speculative Buy	5. Cooper Energy Ltd	COE	0.43	126	Producer / Explorer	Buy
6. Catalpa Resources Limited	CAH	2.150	350	Producer	Buy	6. Otto Energy Ltd	OEL	0.084	90	Explorer / Producer	Buy
7. Gold One International Limited	GDO	0.345	278	Producer	Hold	7. Amadeus Energy Ltd	AMU	0.235	71	Producer / Explorer	Buy
8. Tanami Gold NL	TAM	0.870	226	Producer	Speculative Buy	8. FAR Ltd	FAR	0.073	48	Explorer / Producer	Speculative Buy
9. Focus Minerals Ltd	FML	0.057	163	Producer	Speculative Buy	9. Sun Resources NL	SUR	0.082	28	Explorer / Producer	Speculative Buy
10. YTC Resources Limited	YTC	0.275	56	Developer	Buy	<b>Non Conventional Oil &amp; Gas</b>					
11. Cortona Resources Limited	CRC	0.195	47	Explorer	Speculative Buy	1. Aurora Oil and Gas Ltd	AUT	1.43	398	Producer / Developer	Hold
12. Ausquest Limited	AQD	0.185	42	Explorer	Speculative Buy	2. Samson Oil & Gas Ltd	SSN	0.062	103	Developer / Producer	Buy
13. Emmerson Resources Limited	ERM	0.185	38	Explorer	Speculative Buy	3. European Gas Ltd	EPG	0.42	84	Producer / Explorer	Speculative Buy
14. Geopacific Resources NL	GPR	0.420	16	Explorer	Speculative Buy	4. Strike Energy Ltd	STX	0.20	66	Explorer / Producer	Buy
15. Orion Gold NL	ORN	0.020	15	Explorer	Speculative Buy	5. Oilex Ltd	OEX	0.22	48	Explorer / Producer	Speculative Buy
16. Southern Gold Limited	SAU	0.075	11	Explorer	Speculative Buy	6. Entek Energy Ltd	ETE	0.13	29	Producer / Explorer	Speculative Buy
<b>Iron Ore</b>						Sub-Total 37,994					
1. Atlas Iron Limited	AGO	2.950	1,593	Producer	Buy	<b>Industrials</b>					
2. Centaurus Metals Ltd	CTM	0.099	60	Explorer	Speculative Buy	<b>Resource Services - Capital Intensive</b>					
3. Ferrum Crescent Limited	FCR	0.185	29	Explorer	Speculative Buy	1. Fleetwood Corporation	FWD	12.84	739	Accommodation	Hold
<b>Coal</b>						2. Ausdrill Limited	ASL	2.51	657	Contract Drilling	Buy
1. Riversdale Mining Limited	RIV	12.110	2,282	Developer	Speculative Buy	3. Mermaid Marine Ltd	MFM	2.86	591	Oil & Gas Services	Speculative Buy
<b>Base Metals</b>						4. NRW Holdings Ltd	NWH	1.74	437	Contract mining	Buy
1. Western Areas NL	WSA	6.370	1,140	Nickel Producer	No Rating	5. Clough Limited	CLO	0.64	435	Oil & Gas Construction	No Rating
2. Jabiru Metals Limited	JML	0.595	329	Zinc-Copper Producer	Buy	6. Matrix Composites &	MCE	5.02	366	Oil & Gas Services	Buy
3. Avalon Minerals Limited	AVI	0.235	36	Copper/Iron Ore Dev.	Speculative Buy	7. Macmahon Holdings Limited	MAH	0.50	363	Contract mining	Hold
<b>Other metals</b>						8. Index Ltd	IMD	1.40	270	Drilling Supplies	Buy
1. Kasbah Resources Limited	KAS	0.400	95	Tin Developer	Buy	9. Neptune Marine Ltd	NMS	0.22	94	Oil & Gas Services	Speculative Buy
2. Magma Metals Limited	MMW	0.565	92	PGM-Cu-Ni Developer	Speculative Buy	10. Swick Mining Services Ltd	SWK	0.38	89	Contract Drilling	Speculative Buy
3. Hazelwood Resources Ltd	HAZ	0.230	44	Tungsten Developer	Speculative Buy	11. Pacific Energy Ltd	PEA	0.31	58	Remote Power	Buy
4. Shaw River Resources Limited	SRR	0.150	30	Manganese Explorer	Speculative Buy	<b>Resource Services - Labour Intensive</b>					
<b>Uranium</b>						1. Monadelphous Group Limited	MND	17.81	1,532	Construction	Buy
1. Peninsula Minerals Ltd	PEN	0.061	100	Developer	Buy	2. Decmil Group Limited	DCG	2.57	318	Construction	Buy
2. Impact Minerals Limited	IPT	0.110	13	Explorer	Speculative Buy	3. RCR Tomlinson Ltd	RCR	1.49	196	Engineer. & Constr.	Buy
Sub-Total 9,350						4. Lycopodium Limited	LYL	4.06	157	Engineer. & Constr.	Buy
						5. VDM Group Limited	VMG	0.48	100	Engineer. & Constr.	Buy
						6. LogiCams Limited	LCM	1.16	70	Engineer. & Constr.	Buy
						<b>Other Industrial Companies</b>					
						1. West Australia News Hdgs Ltd	WAN	7.36	1,706	Media	Buy
						2. Austal Limited	ASB	2.95	555	Civil and Military Boats	Speculative Buy
						3. Cash Converters Internat.	CCV	0.59	224	Unsecured Finance	Buy
						Sub-Total 6,472					
						64. GRAND TOTAL 53,817					

Source: IRESS, Hartleys Research. \* 8 Nov 2010

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## Hartleys Recommendation Categories

No Rating	No recommendation.
Buy	Share price appreciation anticipated
Speculative Buy	Share price appreciation anticipated but it is higher risk than a "Buy". For the share price to rise it may be contingent on the outcome of an uncertain or distant event.
Neutral	Take no action. Stock is already trading near the share price target and there are no foreseeable near term catalysts.
Reduce / Take profits	Stock is trading above the share price target and there is a near term negative catalyst that could cause temporary weakness.
Sell	Significant price depreciation anticipated

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Hartleys has completed a capital raising in the past 12 months for Shaw River Resources Limited ("Shaw River"), for which it has earned fees. Hartleys will earn fees on capital raised under the currently open Shaw River Share Purchase Plan ("SPP"). Hartleys has provided corporate advice within the past 12 months and continues to provide corporate advice to Shaw River for which it has earned and continues to earn fees. Hartleys has a beneficial interest in 500,000 Shaw options.

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