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Shaw River Resources gets away to flying start at Ghana manganese project

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Perth-based manganese company Shaw River Resources (ASX: SRR) could not have asked for a better start to its 2010 exploration season in Ghana, intersecting manganese and high grade gold at the 80%-owned Butre Project in Ghana.

Maiden aircore drilling of 24 holes for 943 metres was primarily designed to test a series of manganese-bearing horizons located at Butre. The Butre Project is located near the world-class 1Mtpa Nsuta Manganese Mine, operated by Palmary Enterprises (operators of the Woodie Woodie Manganese Mine in WA).

Drilling successfully tested the main manganese horizon over 500m of strike at Jimra Bepo, returning a high-grade intersection of 2m at 32.2% Mn as part of a wide intersection of 26m at 21.2% Mn from 2m in hole BUAC013, confirming the potential of the location.

Interestingly, in addition to manganese, the Butre Project area contains rocks of gold-bearing Upper Birimian sequences of West Africa, which host significant manganese deposits and a number of multi-million ounce gold deposits.

Drilling also encountered high grade gold, with a best assay of 2m @ 34.2g/t Au.

"This is a great start for our exploration at Butre, with first-pass drilling returning significant manganese intersections as well as high-grade gold (+1oz/t) in an untested area of the project," Vincent Algar, Shaw River's managing director said today.

The discoveries would seem to demonstrate the prospectivity of the Butre Project for significant manganese and gold discoveries.

Shaw River recently exercised its option to acquire the Butre Project, located 30km west of Takoradi in the Republic of Ghana, west of a major bulk port on sealed roads.

Previous work in the area refer to successful upgrading of the material by simple washing, crushing and wet screening to achieve a high-grade product grading +40% Mn. Shaw River will assess a bulk sample from hole BUAC013 for metallurgical testing to confirm this simple beneficiation process.

Next step for Shaw at Butre is to follow up with a significant manganese and gold exploration programme to follow-up on these significant first pass results, which will include RC drilling during the second half of 2010.

Shaw River is a pure manganese-focused company. Manganese is a critical component to the steel industry. Shaw has five Pilbara manganese projects and the Butre manganese and gold project.

Atlas Iron owns 45.4% of Shaw River Resources.