

**SHAW RIVER RESOURCES****MANGANESE MAGIC**

**B**ESIDES LOW overheads, a high-value product and an extensive portfolio in a proven mineralised region, Western Australia-based Shaw River Resources also has a strong, supportive major shareholder, an extensive knowledge of its targeted commodity and the ideal address.

The company holds about 7000 square kilometres of tenements in the high-class Pilbara region that includes its major Baramine manganese project.

Baramine is located in country with identical geology to the world-class Woodie Woodie deposit, which lies just 80km southeast.

"We picked up 70 per cent of the manganese and iron ore rights for the Baramine and 701 Mile prospects in a package acquired from prospector Dennis O'Meara, and after exploration we will have the right of refusal on the balance," Shaw River managing director Vince Algar told *RESOURCESTOCKS*.

"Manganese is a high-profile product that has no substitute and high-grade manganese deposits are not found every day."

In June 2009, Shaw River conducted its first drill program over the Baramine area. The 3000-metre reverse circulation drilling program tested a range of targets the company had identified during evaluation of the project since its acquisition in October 2008.

Highlights from the drilling include 9m at 16.8% manganese from surface, including 3m at 32.6% manganese and 1m at 38.7% manganese in Area 1 where a 1.5-kilometre manganese trend was identified with only 350m of strike extent tested.

Area 3 identified a 660m manganese trend including 5m at 24.1% manganese from surface, 3m at 20.2% manganese from 32m and 8m at 15.6% manganese from 8m.

"The drilling results from Baramine are great news for us because with just our first drill

program we have validated our exploration model for extensive manganese mineralisation," Algar said. "We now have more than 45 significant drill intersections and grades, of up to 38 per cent manganese, which we can now use to rapidly expand our manganese resources."

Shaw River Resources was floated in December 2006 as a base metals spin-off from iron ore miner Atlas Iron, endowed with a number of base metal and gold assets.

The addition of the manganese tenements added to the appeal of the spin-off with manganese making a very good fit with its major shareholder's iron ore project.

"Manganese fits in strategically with the iron ore operations," Algar pointed out. "We can leverage off their knowledge of mine development at Pardoo, their relationships with engineers, as well as infrastructure and the port of Port Hedland, to help keep our costs down and add to our knowledge base."

The June quarter of 2009 has been abuzz with activity for Shaw River. Besides the success of its initial drilling at Baramine it also completed a \$1.9 million capital raising.

Shaw River received strong shareholder support for its manganese strategy, and this was highlighted by Atlas Iron contributing \$823,000 to maintain its 42.7% stake in the company.

Atlas Iron is not the only company to recognise the potential of Shaw River with international manganese play OM Holdings recently taking a 12.5% stake in the company via on-market acquisitions.

Shaw River has plans to expand its current strategy by seeking and gaining exposure to suitable manganese projects, not only in Australia but also around the world.

It will look for projects that match the strategic attributes of Baramine by being in world-class manganese provinces, close to ports and infrastructure and, most importantly,

having the scale potential to deliver economically significant deposits of manganese.

One of the keys to Shaw River's success at Baramine has revolved around knowledge.

Located in the Hamersley Basin in the East Pilbara, the two tenements contain the same rock units that host the Woodie Woodie manganese deposit to the southwest.

"We know that Woodie Woodie is the only significant manganese deposit in Western Australia and that it's not just one deposit, but a series of small deposits," Algar said.

"It took the original owners 30 to 40 years to work out what was going on." **RS**

**SHAW RIVER RESOURCES AT A GLANCE**

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**DIRECTORS**

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**MARKET CAPITALISATION**

\$A28.5 million (at press time)

**MAJOR SHAREHOLDERS**

Atlas Iron 42.7%  
OM Holdings 12.5%  
Imperial Ltd 1.85%  
Phillip Securities 1.56%