

Manganese Drilling Commences at Baramine Project

Strong newsflow expected as program targets Woodie Woodie-style mineralisation

Highlights

- 6,000m drilling program starts June 23, targeting Woodie Woodie-style manganese mineralisation
- Program will include up to 128 drillholes, testing up to 63 high-priority manganese targets and trends
- Drilling will follow-up previous intersections of Woodie Woodie-style manganese mineralisation. These results included:
 - 61 significant intersections (>10% Mn over 2m in width) from only 120 holes drilled
 - Grades up to 38% Mn
- Targeting DSO and significant tonnages for beneficiation to high grade manganese product
- Drilling will more than double current number of drill holes at Baramine
- Drill Results from the program expected in August 2010

Australian manganese explorer **Shaw River Resources Limited** (ASX Code: **SRR**) is pleased to announce the commencement of an extensive 6,000m drilling program at its 70%-owned **Baramine Project**, located 80km to the north west of the Woodie Woodie Manganese Mine in the Pilbara of WA.

The drilling will target up to 63 manganese prospects and trends identified by previous work programmes, including follow-up to previous drilling campaigns. These earlier results highlighted the existence of mineralisation similar to that at the world-class Woodie Woodie manganese project, which is 80km south-west of Baramine (see targets, Figure 1).

The process of identifying the targets in the lead-up to the current drilling program has been closely supervised by Shaw River's senior manganese consultant, Dr Joe Drake-Brockman, who spent eight years targeting manganese at Woodie Woodie.

Shaw River Managing Director Vincent Algar said the first assay results were expected in August 2010.

"Shaw River is very excited to be recommencing drilling at Baramine, where we are targeting a significant manganese discovery" Mr Algar said. "Baramine's location and geology in the East Pilbara Manganese Province makes it ideal for high grade manganese exploration because it shares so many geological similarities with the Woodie Woodie deposits."

About Shaw River Resources

Shaw River is a focused manganese explorer, currently operating five Pilbara manganese projects, and holding an 80% stake in a Ghanaian manganese and gold project.

Shaw River offers excellent exposure to this strategic metal, critical to the global steel industry. Manganese offers investors the benefits of a high unit sale price, strong global demand and low capital and time costs for the development of feasible projects.

In the remainder of 2010, Shaw River will undertake active manganese drilling programs at its Butre (Ghana), Skull Springs (Pilbara) and Baramine (Pilbara) projects. Shaw River is maintaining its active manganese project acquisition strategy as it continues to build its manganese project pipeline.

Shaw River's largest shareholder, Atlas Iron (45.4%) is a strong supporter of Shaw River's manganese strategy.

For further details, contact Vincent Algar, Managing Director, on (08) 9226 4455

Competent Person Statement

The information in this report to which this statement is attached that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Vincent Algar and Mr Glenn Martin who are Members of the Australasian Institute of Mining and Metallurgy. Mr Vincent Algar and Mr Glenn Martin are full-time employees of the company and have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Vincent Algar and Mr Glenn Martin consent to the inclusion in the report of the matters based on their information in the form and context in which it appears

Forward Looking and Exploration Target Statements

Some statements in this announcement regarding future events are forward-looking statements. They involve risk and uncertainties that could cause actual results to differ from estimated results. Forward-looking statements include, but are not limited to, statements concerning the Company's exploration programme, outlook, target sizes, resource and mineralised material estimates. They include statements preceded by words such as "potential", "target", "scheduled", "planned", "estimate", "possible", "future", "prospective" and similar expressions. The terms "Direct Shipping Ore (DSO)", "Target" and "Exploration Target", where used in this announcement, should not be misunderstood or misconstrued as an estimate of Mineral Resources and Reserves as defined by the JORC Code (2004), and therefore the terms have not been used in this context. Exploration Targets are conceptual in nature and it is uncertain if further exploration or feasibility study will result in the determination of a Mineral Resource or Reserve.

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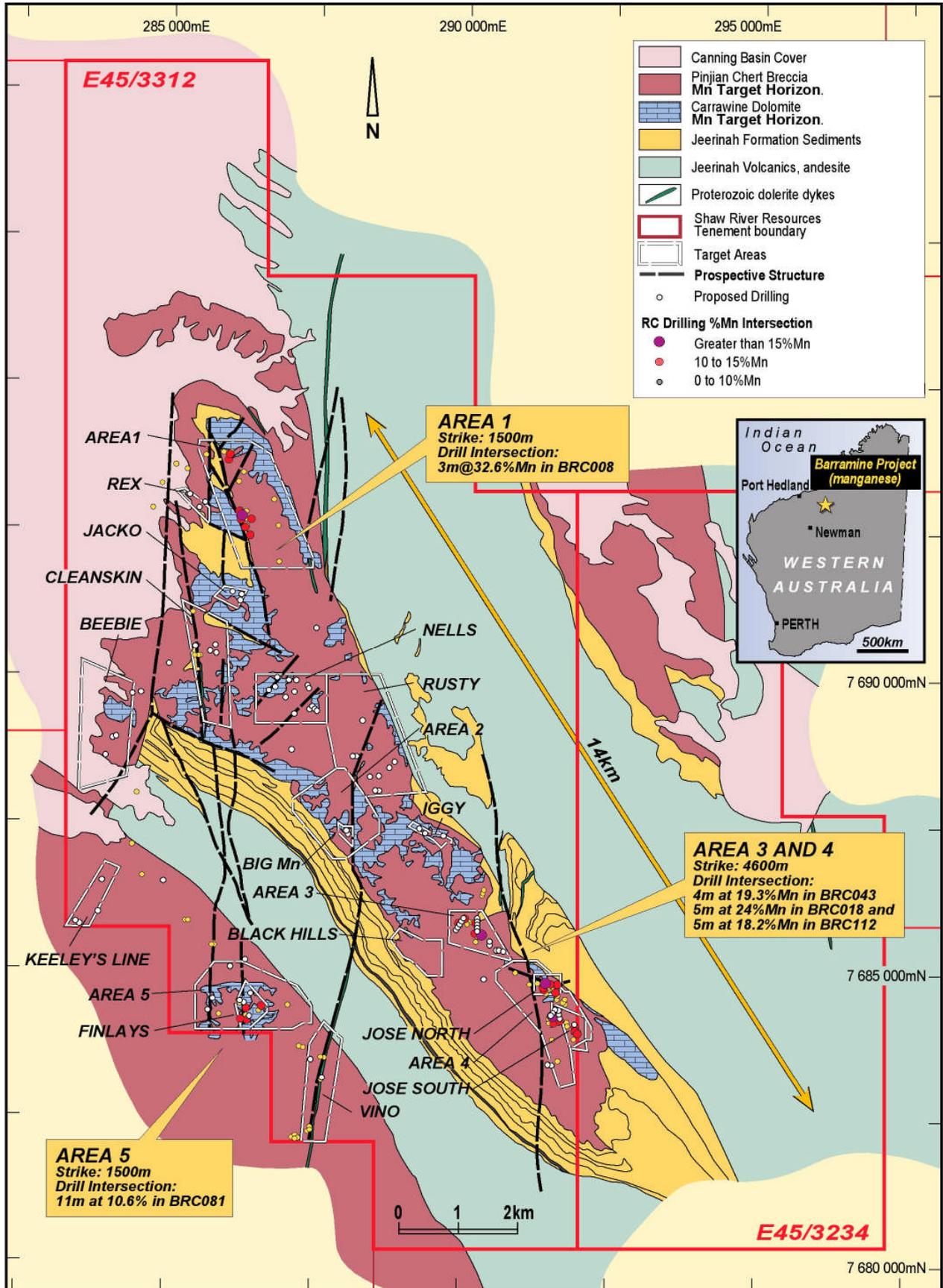


Figure 1. Baramine geology showing drilling and target areas