

Pilbara manganese exploration to be supported by WA Government grant

Drilling to start within weeks at Baramine

Shaw River Resources ("Shaw River" "the Company") (ASX:SRR) is pleased to announce that it has secured a \$150,000 Western Australian Government co-funding grant to help fund the Company's impending exploration program at its Baramine manganese prospect in the Pilbara region of Western Australia.

The grant, which was announced on 1 June by Mines and Petroleum Minister Norman Moore, is part of the Western Australian Government's Exploration Incentive Scheme.

Shaw River Managing Director Vincent Algar said the money would be used to help fund a specific innovative component of the Company's extensive manganese exploration program at Baramine, which will include a 6000-8000m RC drilling campaign beginning later in June 2010.

Baramine is located 80km north-west of the world-class Woodie Woodie manganese mine and 270km from Port Hedland. Initial drilling generated 60 significant targets with grades of up to 38 per cent manganese.

First results from this upcoming drilling program are expected in July 2010 as the company intensifies its exploration for high-grade manganese deposits.

"This drilling program will test some of what we believe is the enormous potential at Baramine," Mr Algar said. "It is great to see the Western Australian Government providing support for exploration, which is ultimately the life blood of the resources industry."

For more information about the WA governments incentive program please refer to the Department of Mines and Petroleum website: dmp.wa.gov.au .

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

About Shaw River Resources

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

In 2010 Shaw River's active manganese exploration program will include drilling at Butre (Ghana), 701 Mile (Pilbara), Skull Springs (Pilbara) and Baramine (Pilbara). Shaw River is maintaining its active manganese project acquisition strategy as it continues to build its manganese project pipeline.

Shaw River offers excellent exposure to this strategic metal, which is critical to the global steel industry.

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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