MANGANESE FACT SHEET

ABOUT SHAW RIVER MANGANESE LTD

Shaw River is a manganese explorer and developer, currently developing manganese projects in the Pilbara, Ghana and Namibia.

Shaw River's acquisition of a 75.5% interest in the Otjozondu Manganese Project in Namibia will fast track the Company's goal of becoming a global manganese producer.

Shaw River is currently aggressively advancing its projects at Otjo (Namibia), Baramine (Pilbara) and Butre (Ghana). The Company is maintaining its active manganese project acquisition strategy as it continues to build its manganese project pipeline.

Manganese ore 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.

Shaw River's largest shareholder, Atlas Iron Limited (45.42%), is a strong supporter of Shaw River's manganese strategy.

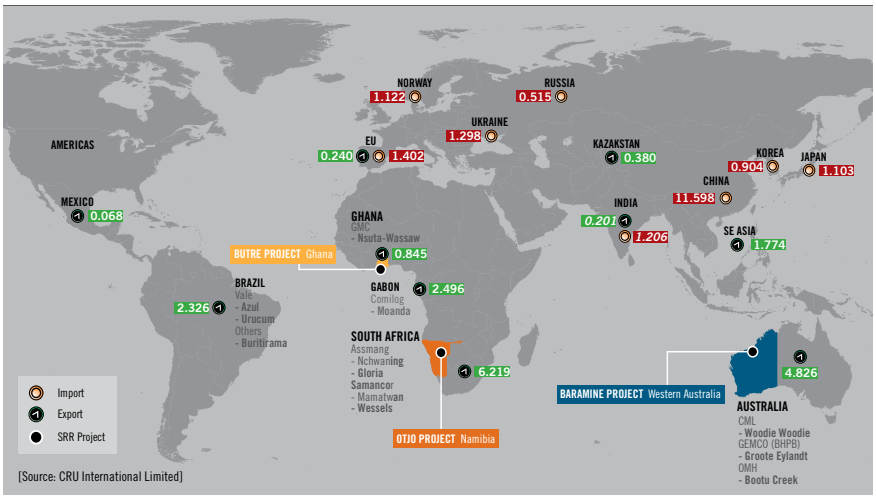
Shaw River Manganese Limited

Introduction to Manganese

Manganese (Mn) is a brittle, hard grey metal that looks much like iron. Manganese is the twelfth most abundant element widely distributed in the earth's crust and the fourth most used metal in terms of tonnage, ranked after iron, aluminium and copper. Manganese is mined as an oxide ore, converted to ferromanganese or silico-manganese in a blast or electric arc furnace, and then mainly used as an essential ingredient in the steel production process.

Manganese ores are processed in a variety of ways, eventually being used to alloy steels. They add a host of properties to modern steels that cannot be created by any other additive. Its importance in the carbon steel industry cannot be understated. The demand and uniqueness of the properties of manganese makes the exploration for rare high grade deposits a valuable search; a strategy Shaw River Manganese is following with great enthusiasm and success.

Global Manganese Imports and Exports 2010



[Source: CRU International Limited]

MAJOR USES (80%)

- Critical component in modern steelmaking with high grade manganese significantly lowering steel production costs. No practical or satisfactory substitute exists.
- Increases hardness, toughness, stiffness and wear resistance of steel as an alloying element.

MINOR USES

- Animal feed and fertilisers.
- Batteries (considerable upside potential).
- Colourants for various cosmetics, plastics and artists' glazes and pigments for bricks, frits, glass, paints tiles and textiles.
- Water treatment chemicals.
- Production of potassium permanganate and other manganese chemicals.
- Matches and fireworks.
- Tanning of leather.
- Medicines.

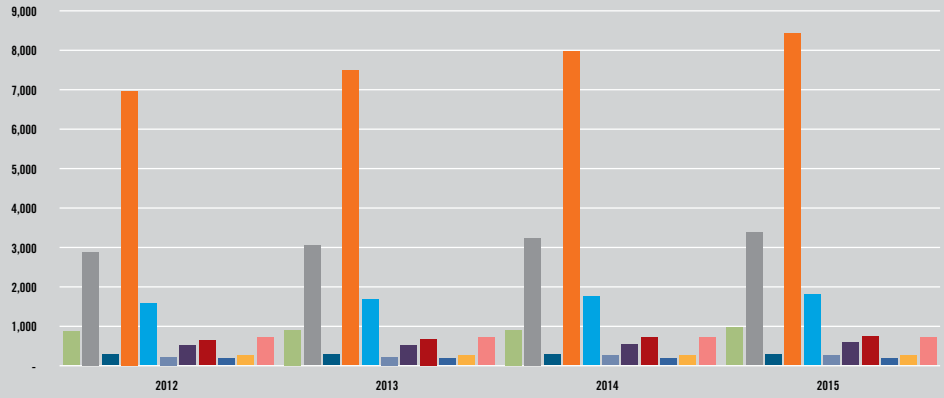
SUPPLY AND DEMAND

Demand for manganese is primarily driven by the steel industry which consumes 94% of the Manganese ore produced. Demand for steel is ever increasing due to increased rate of infrastructure growth in developing nations such as China and India. The manganese market is highly concentrated with limited global suppliers providing a natural pricing floor for manganese. Rising global crude steel production is driving up demand for manganese ore, especially reserves of high grade ore. China's reported manganese reserves are limited and expected to last for less than 15 years at current production rates.

Demand for imported manganese ore in China has more than doubled in the last decade and now accounts for 62% of ore supplied into China.

PROJECTED MANGANESE ORE CONSUMPTION 2012 - 2015 (ALLOYS)
'000 tonnes
(Source: CRU Analysis, GTIS)

	2012	2013	2014	2015
Africa	825	863	887	948
Asia Excl China	2,857	3,011	3,196	3,341
Australia	249	258	256	256
China	6,936	7,469	7,945	8,393
CIS	1,570	1,650	1,728	1,785
E. Europe	186	191	211	220
W. Europe	473	496	523	538
Latin America	622	662	684	708
Middle East	157	157	150	145
North America	220	229	239	239
Other Europe	672	672	672	684

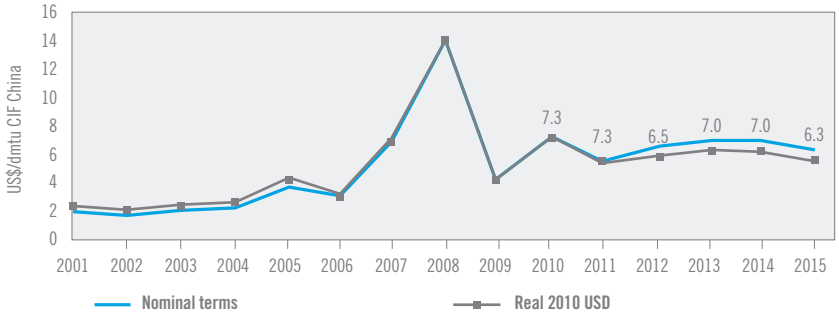


MANGANESE PRICING

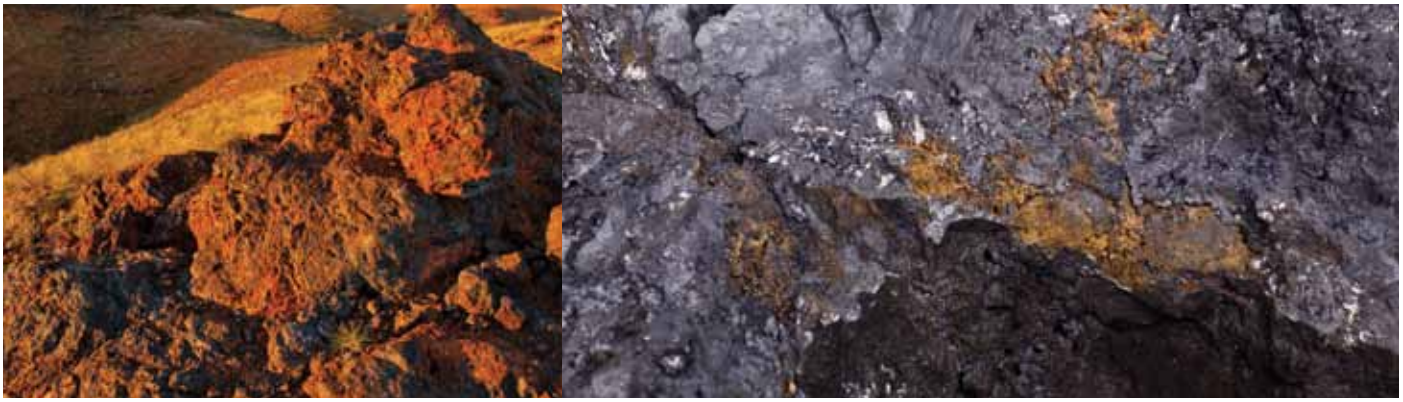
Mid-term pricing prospects for medium to high grade manganese ores should remain very favourable, being mainly the result of:

- Increased consumption of steel in developing world.
- Market for steel products to increase.
- Higher grade ores attract a premium price due to its value-in-use during steel making progresses.

Manganese Ore Pricing (44% Mn lump)



Source: CRU, Deutsche Bank Research, Macquarie Bank.



Source: International Manganese Institute.

Shaw River Manganese Limited

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