

Shaw River Manganese Limited
(Subject to Deed of Company Arrangement)
ACN 121 511 886 ('the Company')
ASX Code: SRR

27 October 2017

Following the Deed Administrators' update to shareholders on 22 March 2016, please find below an update on the status of the administration of the Company.

Proposals for the Recapitalisation and Restructure of the Company

Since the last update to shareholders, the Deed Administrators commenced a marketing campaign to seek expressions of interest for the recapitalisation and restructure of the Company and/or a sale of its Otjozondu and Butre projects.

Following receipt of final offers from interested parties, the Deed Administrators undertook a comparative analysis of all offers and concluded that the offer submitted by Otsana Pty Ltd trading as Otsana Capital ('Otsana Capital') to undertake a recapitalisation of the Company, with the retention of the Butre manganese and gold project in Ghana, and the offer submitted by MN Holdings (an entity incorporated in Mauritius) to undertake to purchase the Otjozondu project by way of a share sale agreement, provided the most favourable outcome for creditors and shareholders.

I am pleased to advise that at a meeting of creditors of the Company held on 24 October 2017, creditors voted in favour of varying the deed of company arrangement to facilitate the recapitalisation proposal and share sale agreement.

It is anticipated that a meeting of shareholders will be convened within the next two months for shareholders to consider the recapitalisation proposal. A Notice of Meeting and Explanatory Statement containing full

details of the recapitalisation proposal will be sent to all shareholders prior to the meeting. I confirm that under the recapitalisation proposal shareholders will retain an ongoing economic interest in the Company.

Assuming that the requisite shareholder approvals are obtained and the Company satisfies any conditions that the ASX have prior to approving the reinstatement of the Company's securities, it is anticipated that the Company will be quoted on the ASX as soon as possible following the shareholders' meeting.

Who can I contact for further information?

The Deed Administrators will continue to provide further updates by way of announcements to the ASX as milestones for the recapitalisation and restructure of the Company are achieved.

Shareholders are requested to refrain from contacting the Deed Administrators' office at this time to allow the Deed Administrators and their staff to focus on the assets and affairs of the Company with a view of maximising the outcome for all stakeholders. Any urgent queries should be directed to Pitcher Partners Perth.

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Joint and Several Administrator

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