



Shaw River
Manganese Limited

About

Board of Directors

Mr Michael Walters
Chairman

Mr Peter Cunningham
Managing Director

Dennis Wilkins
Non-Executive Director

ASX: SRR

Capital Structure

Shares on issue: 904,982,273
Unlisted options: 68,066,333

Major Shareholders

Bryve Resources: 53.35%
Raydale Hldgs: 4.97%
OM Holdings: 4.01%

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www.shawriver.com.au

ASX ANNOUNCEMENT

31 July 2015

JUNE 2015, QUARTERLY REPORT

- The Companies 100% owned Otjozondu Manganese Project ("Otjo Project") in Namibia made 6 shipments of manganese ore totaling 8094t to China in the April to June quarter. The ore is shipped in containers and typical shipment parcel size is around 1,200-1500t. The Company has committed to supply 5 shipments in July and, since latent demand for Namibian ore is in excess of our ability to supply, it is anticipated that sales will lead growth in production in the next quarter.
- Commissioning of the jig plant continued with installation of modified equipment supplied by the jig manufacturer to rectify dewatering and extraction issues identified during initial operations. At the quarter's end the plant was achieving 60 tonnes per hour. Further modifications and operator training are expected to increase processing rates to the 100 tonnes per hour nameplate capacity. ROM material processed during the quarter was, in the main, from stocks mined in the previous quarter.
- Operation of the jig plant has been increased to two shifts, expanding throughput, and reflecting broadening operator experience.
- The cone crusher was commissioned during the quarter, increasing the capacity of and refining the crushing circuit so that all material may be sized optimally for jig feed.
- Mining at Labusrus recommenced during the quarter and a drill and blast contractor was mobilized in June. Mining has been scheduled in 5 pits during the next quarter, 4 at Labusrus and one at the Bosrand, which is the projects largest resource close to the beneficiation plant.



- The mining fleet was expanded with delivery of another 65 tonne excavator and two 20 tonne and two 65 tonne trucks.
- Noble Resources' appointment as sales and marketing agent was extended for the next 30,000 tonnes of manganese ore production.
- The Otjozundu manganese product appeals to a segment of the market because of particular mineral element levels and is attracting a premium over similar Mn content ores.
- Negotiations with Government to increase road haulage carrying capacity have continued and construction of low profile bulk haulage containers is underway. Logistic costs will be significantly lowered when low profile bulk containers are in service for road and rail haulage.
- A dedicated rail haulage siding at Okahandja has been granted to the company for its exclusive use.



DETAILS

Shaw River Manganese Limited ("Shaw River" or "the Company") (ASX: SRR) is pleased to provide the following update on its activities during the June 2015 quarter.

OTJO PROJECT – NAMIBIA:

1. Project Activities

The quarter was dominated by activities related to completion of the crushing circuit with commissioning of the cone crusher, and installation and commissioning of modified components of the jig plant. Both initiatives were successfully completed and the processing side of the operation was functional at the quarter's end.

a) Mine

Mining to complete extraction of previously blasted material in the 3 existing Labusrus pits recommenced in June and a drill and blast contractor was mobilised at the end of June to drill blast holes at a new pit in the Labusrus line. The near-term mining schedule includes four pits at Labusrus and one at Bosrand. The site now operates two sets of mining fleet allowing two pits to be mined simultaneously, and, with five in various stages of development, will extend mining advance, keep the fleet well utilised, and ensure unit costs are at a minimum. The Bosrand pit will be mined at area 2 which has a resource estimate of 3.9 million tonnes and is the largest single source nearby to the beneficiation plant.

b) Processing Facility

With the arrival of the new jig late in March 2015, all the plant and equipment required for crushing, screening, and beneficiation of manganese ores was on site at the start of the quarter. The first jig runs identified deficiencies in the dewatering and extraction sections of the plant which the supplier redesigned and remanufactured. This process took 8 weeks so the magnetic circuit was run to provide a slow but steady stream of product for delivery into the market.

Installation of the modified jig plant components was completed in June and the plant put into operation. Initially the plant is being operated at 60 tonnes per hour but with further minor modifications and extended operating experience it is expected to reach the design capacity of 100tph sometime during the following quarter. The jig is now being operated on two shifts. Analysis of grade particularly to assist in managing jig operations, is being performed on site with a mounted Niton XRF machine, which has been 'calibrated' against external laboratory results and found to be providing an acceptable level of precision. Check assays are undertaken periodically by an external laboratory, and all product samples taken prior to shipping are also analysed by an external facility.



c) Sales and Logistics.

The previous fixed price ore purchase agreement with Noble Resources, as announced on 22 October 2014, expired at the end of March 2015 and an extension of the marketing agency arrangement has been signed. Under the new agreement Noble will sell 30,000 tonnes of product. The manganese ore that has been supplied is being well received by customers because of its composition and compared to ores of a similar manganese grade but lacking these attributes, is attracting a premium.

8,094 tonnes of product was shipped during the quarter, a satisfactory result given limitations in processing ability while the jig and crushing plant commissioning was underway.

2. Exploration Activities – Period April to June 2015

Apart from mine pit development, there were no exploration activities undertaken during the June 2015 quarter.

CORPORATE

During the June 2015 quarter the Company drew down \$140K under the Bryve facility and utilised the funds as working capital.

In June 2015 the Company divested its minority equity in Kalamazoo Resources Pty Ltd for a consideration of \$241K.

SHAREHOLDER INFORMATION

At quarter end, Shaw River had 904,982,273 ordinary shares on issue and 68,066,333 unlisted options. The top 20 shareholders held 73.34% of the Company's issued capital.

Peter Cunningham

Managing Director

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Join the electronic mailing list and find more information about Shaw River at:
www.shawriver.com.au

About Shaw River

Shaw River is a manganese-focused development and exploration company headquartered in Perth, Western Australia. The Company is targeting a low-cost, scalable start-up development of its flagship 100% owned Otjozundu Manganese Project in Namibia.



Appendix 1 - Shaw River Manganese Limited Tenement Schedule as at 30 June 2015

Project / Location	Tenement	Status	Shaw River Equity %
Otjozonde / Namibia	ML145	Granted	100
	EPL3456	Granted	100
	EPL3537	Granted	100
	EPL3538	Granted	100
	EPL3539	Granted	100
	EPL3879	Granted	100
Butre / Ghana	Prospecting Licence LVB1044/96	Granted	90