



Shaw River
Manganese Limited



15 May 2014

About

Board of Directors

Mr Michael Walters
Chairman

Mr Peter Benjamin
Managing Director

Jeremy Sinclair
Non-Executive Director

ASX: SRR

Capital Structure

Shares on issue: 903,315,606
Unlisted options: 96,800,000

Major Shareholders

Atlas Iron: 53.45%
OM Holdings: 4.01%

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For more information about
Shaw River or to join the
electronic mailing list visit:

www.shawriver.com.au

SHAW RIVER BECOMES 100% OWNER OF OTJOZONDU MANGANESE PROJECT

- Shaw River has become the 100% owner of the Otjozundu Manganese Project.
- Shaw River has completed a "Share Sale and Settlement Agreement" to purchase the remaining 12.8% of Otjozundu Mining (Pty) Ltd from Oreport Holdings (Pty) Ltd.
- Variation to the Loan Agreement with Atlas Iron Limited (ASX:AGO) to fund the purchase.

Shaw River Manganese Limited ("Shaw River") (ASX: SRR) is pleased to advise that it has now reached completion under a Share Sale and Settlement Agreement ("Agreement") for the acquisition of the remaining 12.8% of Otjozundu Mining (Pty) Ltd ("OM") from its former joint venture partner, Oreport Holdings (Pty) Ltd ("Oreport").

Oreport is a wholly owned subsidiary of Grindrod Trading Holdings Pty Ltd. Otjozundu Holdings (Pty) Ltd ("OH"), a wholly owned subsidiary of Shaw River, and Oreport were the shareholders of OM pursuant to a Shareholders Agreement dated 14th December, 2007.

Under the terms of the Agreement, Shaw River has paid Oreport the equivalent of A\$950,000 for its 12.8% stake in OM and the transfer of loans due to Oreport from OM totalling approximately A\$3,100,000.

OM's marketing agreement with Oreport has also been terminated as part the Agreement, leaving OM with full flexibility to enter into a future transaction involving the off-take and/or marketing rights for its product. The parties have also fully released each other from any past or future claims.

Shaw River and Grindrod will continue to discuss opportunities for Grindrod to provide logistical services to the Otjozundu Manganese Project.

Shaw River and Atlas Iron Limited ("Atlas") are parties to a Loan Agreement dated 5th July 2013 ("Loan Agreement") whereby Shaw River could borrow up to \$4 million. Under a variation to the Loan Agreement, Atlas has agreed to extend the loan facility by \$950,000 in order to fund the acquisition.



Shaw River's Managing Director, Peter Benjamin said: "This acquisition places Shaw River in a strong position to progress the Otjo Project as the 100% owner, it increases our ability to secure a project partner for development, decreases complexity of ownership and decreases administration costs and the distractions associated with dealing in a JV."

For further information please contact:

Investors

Peter Benjamin

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 Otjozundu Manganese Project in Namibia.