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Shaw Joint Ventures into Gold and Base Metal Project near Port Hedland

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Projects

FARREL WELL

East Pilbara
gold, nickel, zinc-lead-
copper-silver

MT MINNIE

Ashburton
gold, uranium,
zinc-lead-copper-silver

HEDAND

East Pilbara
gold, zinc-silver

ABYDOS

Central Pilbara
gold, tin, tantalum, nickel,
copper-zinc

PARDOO/GOLDSWORTHY

East Pilbara
gold, zinc-copper, nickel

PEARANA

Far East Pilbara
copper, gold



Shaw River enters into Joint Venture with Pelican Resources Ltd over the Donald Well Gold and Base Metal Project

- o Shaw River Resources Ltd ("Shaw River") (SRR) has entered into a joint venture with Sunrise Exploration Pty Ltd (Sunrise) , a wholly owned subsidiary of Pelican Resources Ltd ("Pelican") (PEL), over the Donald Well Gold and Base Metal Project, located in WA's prolific Pilbara, south-east of Port Hedland.
- o The Donald Well Project is located approximately 45km southeast of Port Hedland and covers 8.3km of the Tabba Tabba Shear Zone. The project is approximately 10km to the south-west of Shaw River's "Hedland Project", where work during the 2nd half of 2007 showed potential for structurally controlled gold deposits within the greenstone sequence and where Shaw River is currently conducting a drilling programme.
- o Donald Well is also located directly along strike to the northeast of the Turner River gold and base metal occurrences, which are hosted within the Tabba Tabba Shear Zone, which contains gold and zinc-lead-silver-gold occurrences along its length.
- o Follow up drilling is being planned over three priority target areas identified by Pelican using airborne electromagnetics (VTEM) and follow-up ground geophysics (TEM).
- o Soil sampling to date by Pelican has been covered only 33% of the prospective Tabba Tabba Shear Zone within the JV tenement area, and has identified high order zinc anomalism up to 206ppm zinc coincident with the electromagnetic conductors.
- o Shaw River intends to actively explore the Joint Venture area during 2008 and beyond, by drilling over the electromagnetic targets as well as any other targets generated during the Shaw River work program.
- o Key Terms of the Joint Venture;
 - o The issue of 500,000 Shaw River shares and of 1,000,000 20c 2013 options to Sunrise to reflect recent exploration expenditure by Pelican.
 - o Earn in requirement of \$150,000 in the first year by Shaw River as manager to acquire a 30% stake.
 - o On election to proceed beyond year one, the issue of 500,000 Shaw River shares to Sunrise.
 - o Expenditure of \$300,000 in years two and three by Shaw River as manager to increase its interest in the joint venture to 70%.

Additional Information – re: Joint Venture terms

The Joint Venture arrangements post year three will entail the parties contributing to Joint Venture expenditure in accordance with their Joint Venture participating interests. Pelican has the option to contribute or dilute prior to completion of a bankable feasibility study or equivalent. Upon completion of a positive bankable feasibility study, the parties will either commit to the development or dilute down their stake.

In addition, if either party's interest falls below 10% the other party has the option to acquire the interest at a pre-determined value of the project or commercial value as determined by the parties or failing agreement, by an independent valuer.

The parties have agreed that a formal agreement will be negotiated and executed within 90 days of the execution of the letter of Agreement. All other terms and conditions under the agreement are in standard form for agreements of this nature.

"We are very pleased to have made this agreement with Pelican. Donald Well is one of the last remaining sections of the prospective Tabba Tabba Shear Zone which has not been systematically mapped, sampled and drill tested for gold and base metal (VHMS) deposits, such as have been found in the same rocks to the north and south along the greenstone belt. Pelican has recognized the suitability of Shaw River as a partner in the East Pilbara to help realise the potential value of this exciting area in the short term" commented Vincent Algar, Shaw River's Managing Director.

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

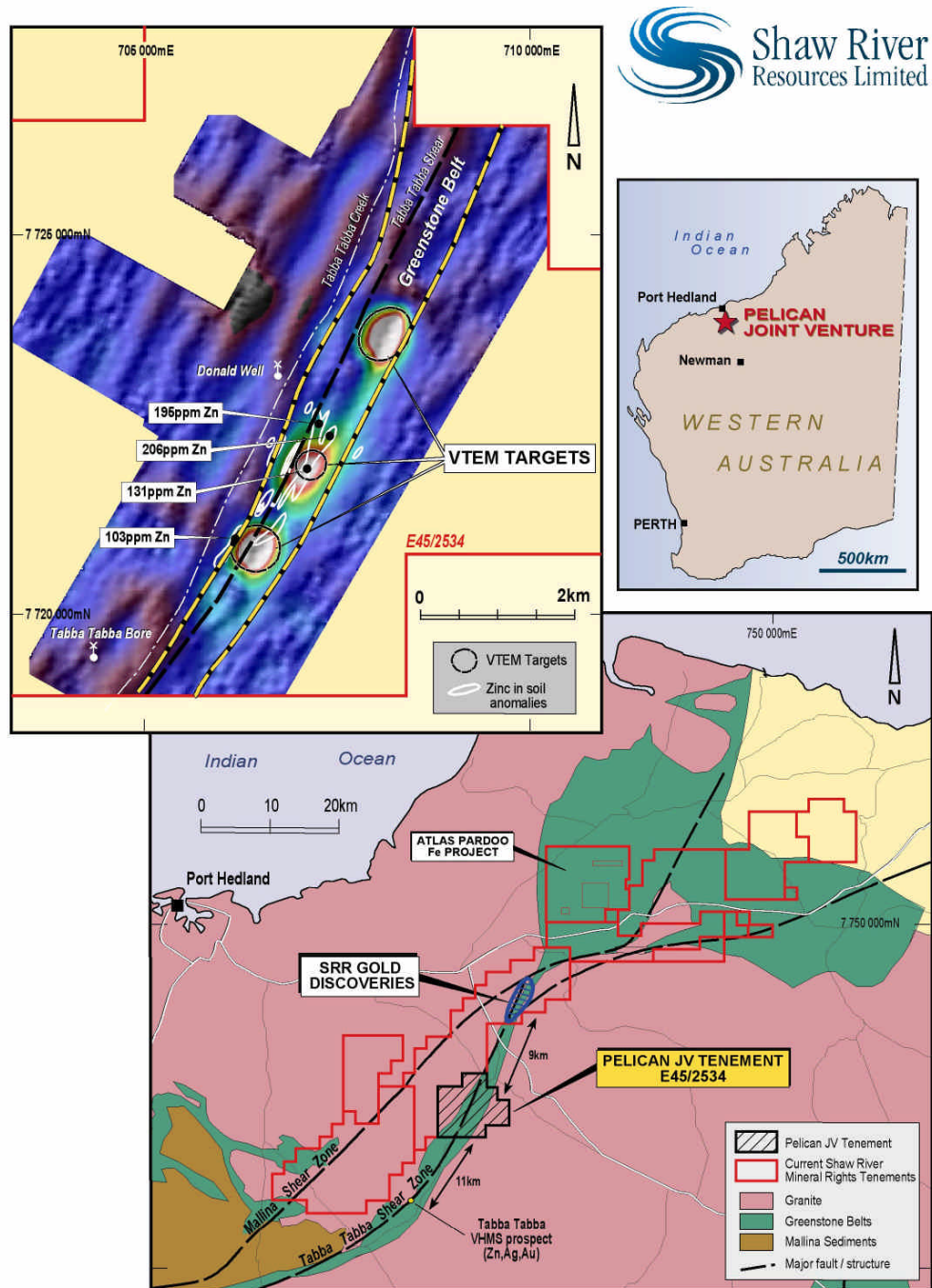


Figure: Location diagram and electromagnetic image showing conductors and soil anomalies.