

High grade hematitic iron ore discovered on EL26412 – Yumanji

- High grade (up to 68% Fe) ironstones found in three areas within EL26412
- The ironstones have been traced along strike for over 3km in one area

Sherwin Iron Ltd (ASX:SHD) wishes to advise that initial reconnaissance rock chip sampling on EL26412 – Yumanji has returned high grade iron ore assay results (>60% Fe).

The EL covers the western portion of the basin of Mesoproterozoic rocks which hosts sedimentary oolitic iron ore mineralisation (Figure 1).

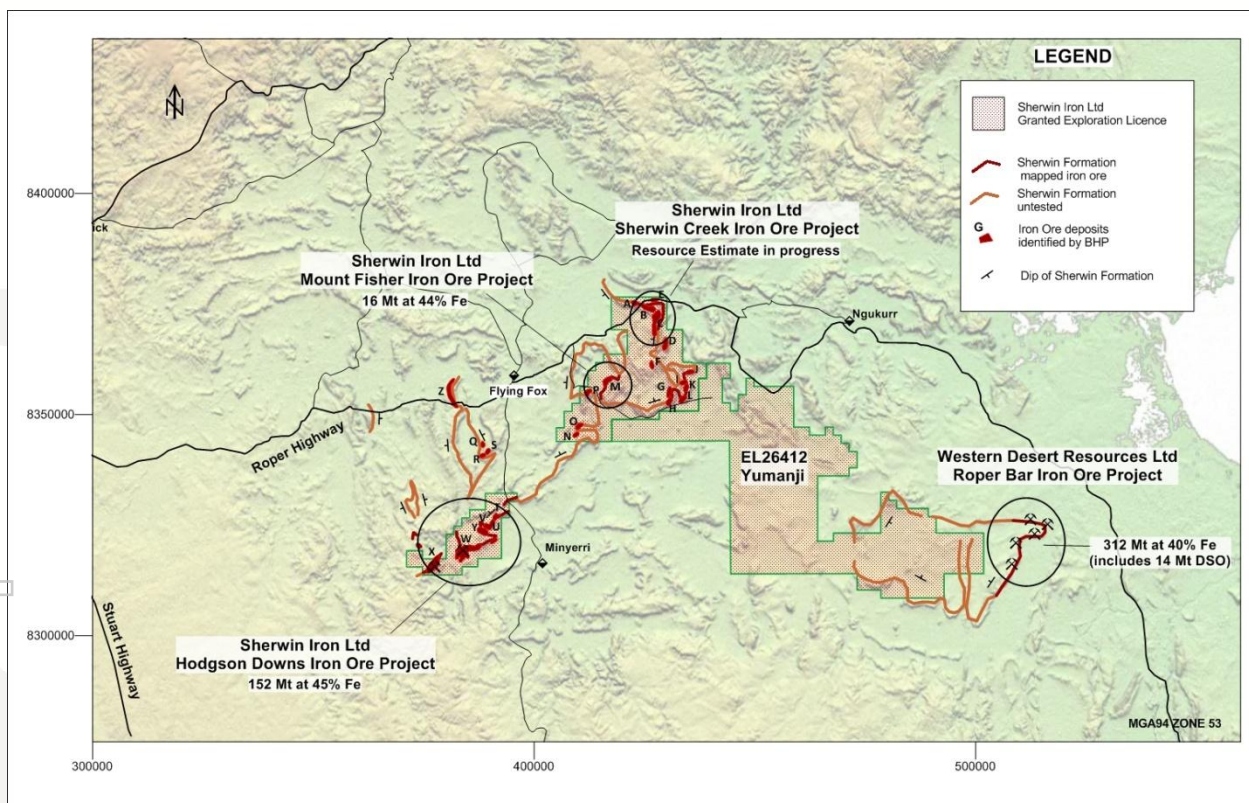


Figure 1: Location of EL26412

Helicopter assisted rock chip sampling and mapping was carried out during the September Quarter within EL26412 – Yumanji. Samples were taken from oolitic ironstones within the Sherwin Formation which crops out around the margin of a broad basin in the eastern part of the tenement (Figure 2). The basin has been affected

by thrust faulting along its northern margin. At Yumanji West the Sherwin Formation forms a shallow syncline, whereas at Yumanji East it has been deformed in a broad anticline.

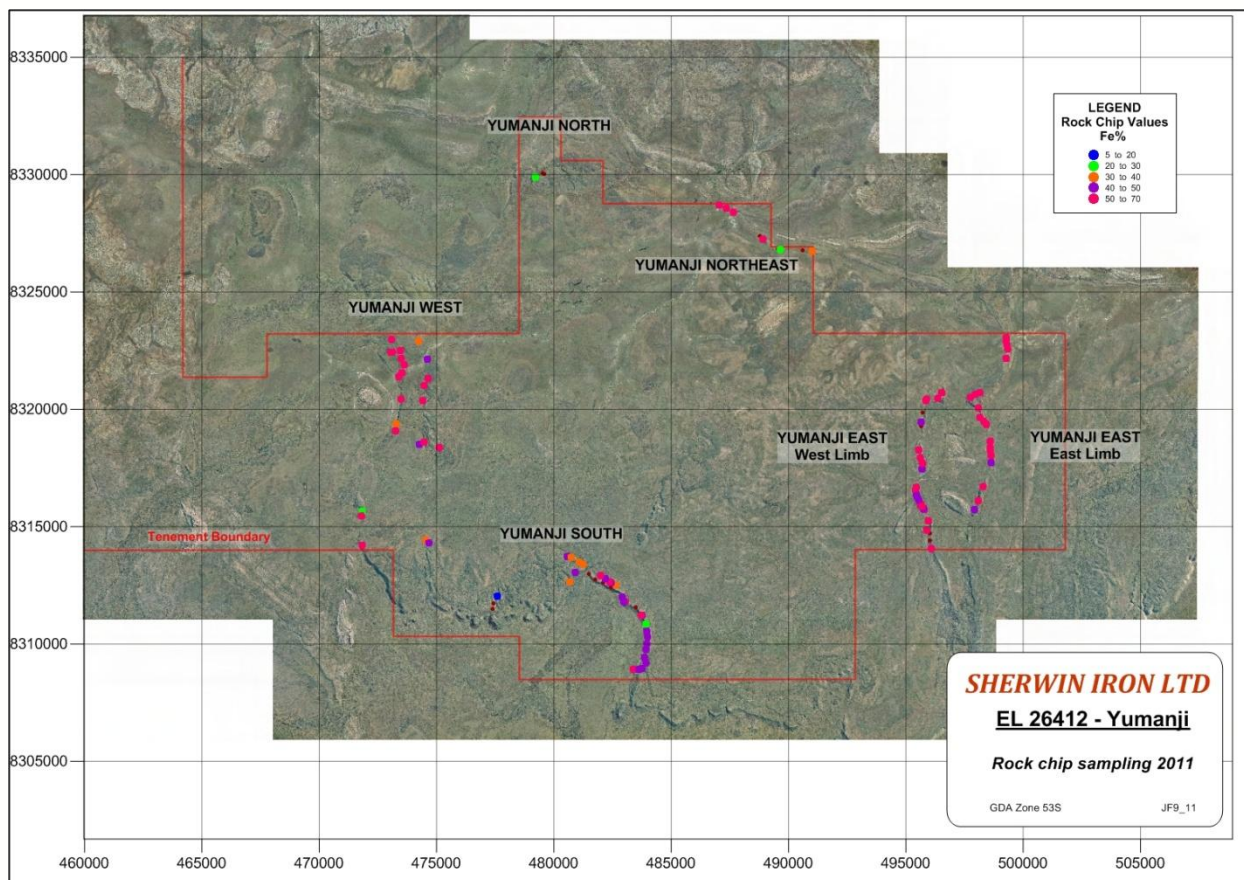


Figure 2: EL 26412 - Rock chip values Fe%

The most prospective areas are Yumanji West and Yumanji East. In the northern part of Yumanji West flat lying ironstone outcrops over a broad area and sampling reported values from 53 to 64% Fe. Further south the ironstone outcrops on both sides of a shallow syncline. Substantial tonnages of iron ore may be present at mineable depths. Drilling is required to determine the extent of the iron ore mineralisation.

At Yumanji East the Sherwin Formation crops out along both limbs of a north trending anticline. High grade material has been mapped on both sides of the anticline. The best results were reported from the northern portion of the east limb where a 3km long section reported values from 53 to 65% Fe. Further north and adjacent to the tenement boundary high grade iron ore (60-68% Fe) was mapped over a strike length of 1.1km. This area is a high priority drill ready target.



Figure 3: High grade iron ore outcrop, Yumanji East – East Limb

Managing Director Jerry Ren said “These are exciting results which suggest that DSO iron ore may be present in the Yumanji area. Drilling is now required to determine if economic quantities of the high grade material are present.”

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Competent Persons Statements

Exploration Results

The information in this report that relates to Exploration Results is based on information compiled by Mr John Fabray who is a member of the Australasian Institute of Mining and Metallurgy. Mr Fabray acts as a geological consultant to the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.’ Mr Fabray consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Table 1: Significant high grade iron ore assays

SampleID	NAT_Grid_ID	Easting	Northing	Fe%	SiO2%	Al2O3%	P%	LOI%
11Y027	MGA94_53	496089	8314057	62.75	4.67	1.54	0.02	2.45
11Y032	MGA94_53	495972	8315244	62.33	4.88	0.96	0.02	3.77
11Y033	MGA94_53	495778	8315712	61.60	9.94	0.74	0.08	0.98
11Y035	MGA94_53	495642	8315947	60.87	8.60	0.78	0.07	2.67
11Y053	MGA94_53	498609	8318353	64.42	3.89	0.76	0.05	2.22
11Y054	MGA94_53	498167	8319669	63.21	8.76	0.62	0.03	0.42
11Y055	MGA94_53	497958	8320643	64.99	3.22	1.29	0.01	1.94
11Y056	MGA94_53	498173	8320710	62.48	3.26	1.12	0.01	5.59
11Y057	MGA94_53	499269	8322157	66.38	3.13	0.65	0.02	0.97
11Y058	MGA94_53	499337	8322581	68.27	1.91	0.37	0.01	0.55
11Y059	MGA94_53	499269	8323059	66.28	4.64	0.43	0.01	0.59
11Y070	MGA94_53	473475	8322507	62.93	6.58	0.82	0.07	1.71
11Y072	MGA94_53	473117	8322437	63.56	5.50	1.31	0.02	1.6
11Y076	MGA94_53	473400	8321390	61.58	9.26	0.43	0.03	1.77
11Y095	MGA94_53	498295	8316711	60.00	6.45	1.49	0.01	4.49
11Y096	MGA94_53	498602	8318265	60.67	6.41	0.51	0.02	4.96
11Y101	MGA94_53	498624	8318016	61.12	7.62	0.39	0.04	3.55
11Y106	MGA94_53	498091	8320075	60.77	8.05	0.98	0.03	3.07
11Y107	MGA94_53	497737	8320520	62.51	9.03	0.80	0.03	0.91
11Y108	MGA94_53	499313	8322745	60.30	8.15	0.77	0.03	3.71
11Y109	MGA94_53	499293	8322894	64.77	5.50	0.55	0.01	1.03
11Y112	MGA94_53	487029	8328688	61.57	7.22	0.83	0.03	3.62
11Y122	MGA94_53	475129	8318370	60.40	7.75	1.02	0.03	3.29

Samples analysed by XRF at NTEL