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28th February 2008

GABANINTHA VANADIUM, THE NEXT STAGE – A SCOPING STUDY AND DEVELOPMENT PROGRAM

Yellow Rock Resources Ltd (YRR) is pleased to announce that fieldwork campaigns completed in the last quarter are continuing to confirm the development potential of the Gabanintha magnetite-titanium-vanadium resource in Western Australia. Recent reviews of the geology, resource models and metallurgical characteristics have highlighted a suitable portion of this large resource for a scoping study to begin. The study is expected to include:

- Completion of the resource drilling program in the development area
- Preliminary pit optimization studies on the resource model
- Preliminary geotechnical evaluation of the development area
- Review of metallurgical and processing options
- Evaluation of product marketing opportunities

The results of drilling programs and resource estimations on these tenements were the subject of previous announcements by YRR.

The current mineral resource estimations for Gabanintha magnetite-titanium-vanadium deposit were reported by YRR to the ASX in the announcement "Updated Mineral Resources Statement Gabanintha" on 8th October 2007. This is summarised below:

Resource Type	Ore Type	Tonnes	Vanadium Oxide	Titanium Oxide	Date	Competent Person
Indicated	**Combined Total**	***92.5 MT***	***0.81% V_2O_5***	***9.81% TiO_2 and 51.2%Fe***	***October 2007***	***Peter Schwann***

The YRR Gabanintha resource is currently undergoing a major development program with a Scoping Study beginning in the first quarter of 2008.

Resource drilling program

A drilling program of 4,800 metres Reverse Circulation drilling and 900 metres Diamond drilling is currently under way along the Gabanintha mineralised zone to achieve the following objectives:

- Complete resource infill drilling down to 80m vertically below surface (RC)
- Test for depth extensions of the ore zone to150m vertically beneath surface (DC)
- Explore extensions of mineralisation along strike to the south (RC)
- Obtain core samples for further material density and metallurgy tests (DC)
- Investigate geotechnical parameters of core for open pit slope design (DC)

Preliminary Optimisation Studies

Initial studies of open pit optimisations on Whittle Four-D using the existing resource model are planned as the first stage in the mining scoping study. This study will include a compilation of mining, transport, production and processing unit costs, reviews of the mining and haulage methods, rudimentary pit design and waste dump/haulage road locations.

Geotechnical Evaluation

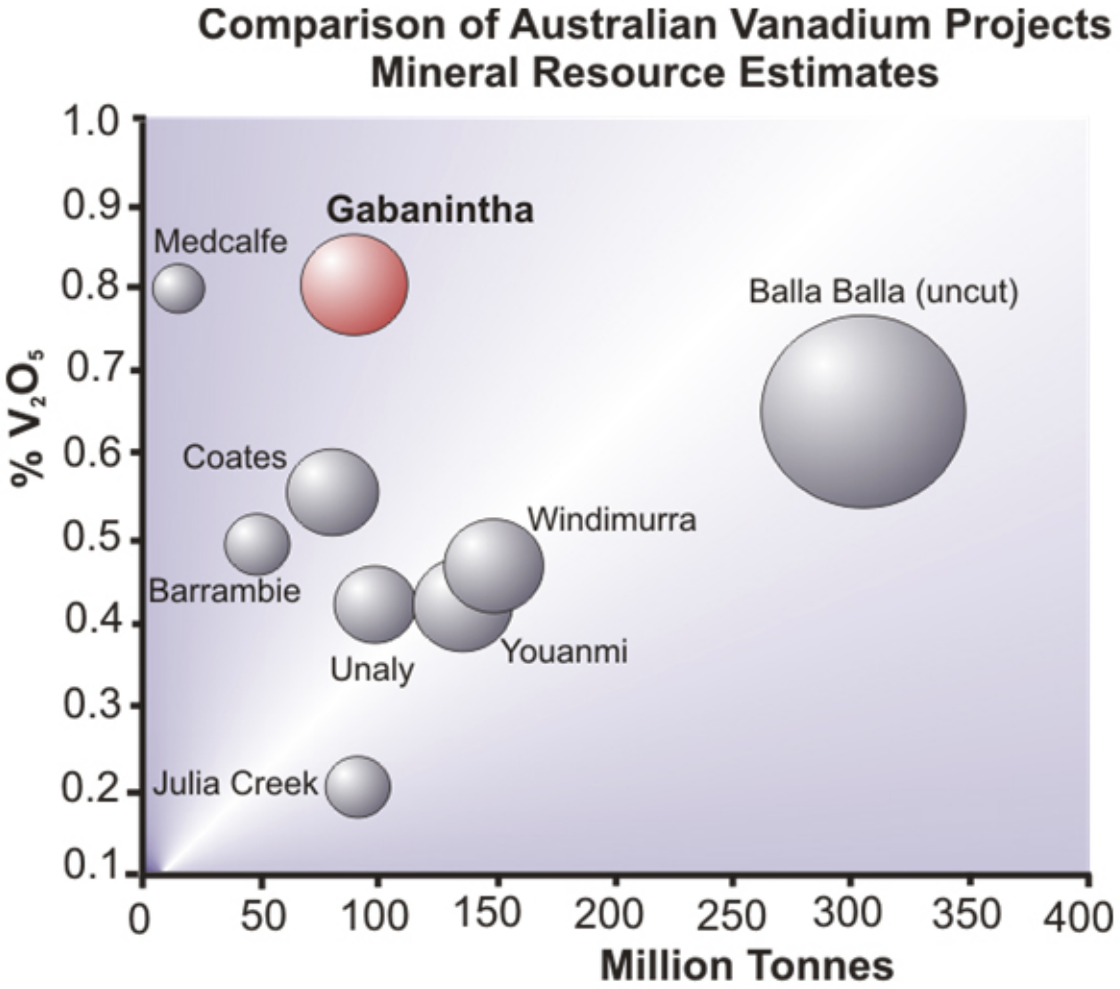
From the drill core and other data an evaluation of the rock mass conditions including moisture content, groundwater conditions, fracture density, joint types and orientations will be conducted. This will assist in defining pit slope stability criteria for final pit optimising and planning.

Processing and Metallurgical Review

The various processing and product stream options and their associated technologies will be investigated as part of the Scoping Study. This will involve further testing of the ore for chemical leaching suitability in various media as well as the physical separation criteria of grind size, magnetic and gravity response. Preliminary indications are that there are several reliable methods available already being used for similar magnetite-titanium-vanadium deposits in Australia and overseas.

Marketing Opportunities

An analysis of market conditions, end-user facilities and specifications, export requirements and scheduling are in progress and it is expected that off-take agreements or sales contracts will be negotiated during this year. This study will be done in-house.



Note: Ball size equates to contained metal (tonnes x grade)

DECLARATION

This is a true and independent record of the reviewed and verified geological data and, as such represents the exploration status of the Gabanintha Project at the time of writing.

The information in this statement that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by independent consulting geologists Peter Schwann and Brian Davis.

Brian Davis is a Member of The Australian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Brian Davis is employed by Geologica Pty Ltd. and is also a director of Mulgara Minerals Ltd and Radon Resources Ltd.

Brian Davis has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which is undertaken 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'.

Peter Schwann and Brian Davis consent to the inclusion in the report of the matters based on the information made available to them, in the form and context in which it appears".

Brian Davis BSc, DipEd, RPGeo, MAusIMM, GAA
Principal Consultant
GEOLOGICA PTY LTD

February 28th 2008