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GABANINTHA VANADIUM PROJECT

The directors of Yellow Rock Resources Limited (ASX Code: YRR) are pleased to announce the increase and upgrade in the Mineral Resource for the exciting and unique Gabanintha Vanadium Iron Titanium Project in Western Australia.

The completed Resource Statement report on the vanadium iron titanium deposit at the Gabanintha Project defines it as the Australia's highest grade massive magnetite hosted vanadium deposit.

The main points of the report are:

- 1. An increase in the total Mineral Resource to 151.5 million tonnes from 90 million tonnes (being an increase of 68%) to 100m depth.**
- 2. The total contained Vanadium metal has increased by 30%.**
- 3. The total high grade Resource is now 70 million tonnes at 0.87% V₂O₅.**
- 4. The identification of shallow scree Resource of 12 million tonnes at 0.43% V₂O₅ and low grade hanging wall resource of 70 million tonnes at 0.39% V₂O₅.**
- 5. The Vanadium Mineral Resource is also rich in Iron and Titanium.**

The Company now has a better understanding of the Gabanintha Project enabling it to consider all opportunities for advancing the project to a commercial outcome.

The work covered by the report included the latest drilling programme carried out to refill previous drill holes and the re-assaying of prior samples to confirm and estimate the newly defined lower grade hanging wall material. The Resource has been modelled to show areas of complex structure that have a lower Resource category. These areas will require further drilling at a later date.

The report was prepared by Schwann Consulting, as principal consultant and Mining Assets Pty Ltd for the computer modelling, and a full breakdown of the Mineral Resource from that report is contained in the Resource Table below.

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RESOURCE TABLE (Cut off grade 0.3% V2O5)

Material Type	Classification	Tonnes	V2O5%	Fe%	TiO2%
High Grade	Inferred	13,420,000	0.90	39.2	10.8
	Indicated	23,800,000	0.83	36.5	9.8
	Measured	32,540,000	0.89	37.8	10.4
	High Grade	69,760,000	0.87	37.6	10.3
Low Grade	Inferred	6,150,000	0.39	22.3	5.8
	Indicated	9,650,000	0.40	22.4	5.8
	Measured	54,000,000	0.39	21.3	5.6
	Low Grade	69,800,000	0.39	21.6	5.7
Scree	Inferred	2,330,000	0.70	33.7	7.5
	Indicated	1,230,000	0.33	19.4	4.5
	Measured	8,370,000	0.37	21.8	4.9
	Scree	11,930,000	0.43	23.8	5.4
By Classification	Inferred	21,900,000	0.74	33.9	9.0
	Indicated	34,680,000	0.69	31.9	8.5
	Measured	94,910,000	0.56	27.0	7.2
Grand Total		151,490,000	0.62	29.2	7.8

JORC Resource Statement (tonnes rounded off to significant figures)

The Gabanintha deposit is unique as it contains a “Windimurra” style hanging wall ore zone AND a “Balla Balla” style foot wall zone. This unique ore type stacking would allow the exploitation of a low grade feed to an onsite ferro vanadium plant similar to that at Windimurra as well as the direct shipping of a lump or fine Balla Balla style iron rich feedstock on the single site.

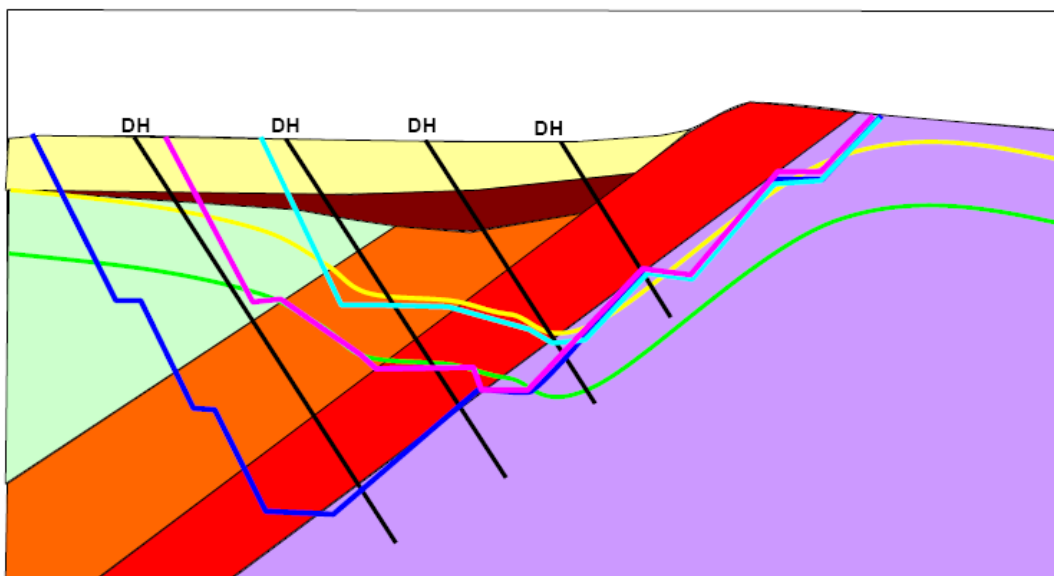
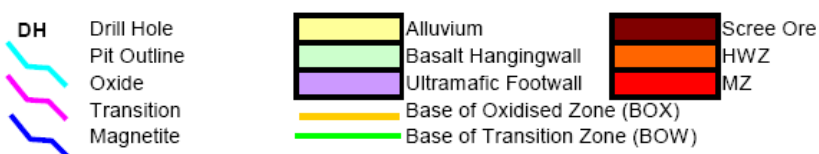


Figure 1 Schematic Section Showing Ore Types and Pit Development



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The above figure shows the unique Gabanintha deposit with a suggested development giving flexibility in ore types mined. This will allow the company to tailor the development to suit market requirements and customer demands, as well as allowing low capital start up options.

The company will undertake a further programme of reverse circulation and diamond drilling to upgrade some areas of the lower resource classification and to explore down dip to achieve both metallurgical samples and a down dip extension of Inferred and Indicated Mineral Resources.

The new drilling will confirm mineralisation types and grades to the current depth of 100 metres and will also test the depth of the ore body to 300 metres to include both high grade magnetite ilmenite vanadium as well as the lower grade hanging wall resource.

COMPETENT PERSON STATEMENT

The information in this report that relates to exploration results, mineral resources or ore reserves is based on information compiled by Mr Peter Schwann, CP (Geol), who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Schwann is a Consultant to Yellow Rock Resources Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity to which he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("the JORC Code"). Mr Schwann consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

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