

YELLOW ROCK RESOURCES LTD

ABN 90 116 221 740

Activities Report for the Quarter ended on 31 December 2008

Gabarintha Vanadium Iron Titanium Project

Updated Mineral Resource

During the quarterly period ending on 31 December 2008 the company completed the Resource Estimate for the Gabarintha Vanadium Iron Titanium Project deposit.

The Total Resource is now 151.5 million tonnes at 0.62% V₂O₅, 29.2% Fe and 7.8% TiO₂ which includes 95Mt of Measured Resource of which one third is High Grade at 0.89% V₂O₅, 37.8% Fe and 10.4% TiO₂. A full breakdown is given below.

RESOURCE ESTIMATE TABLE

Material Type	Classification	Tonnes	V ₂ O ₅ %	Fe%	TiO ₂ %
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

The resource model has been constructed so that the indicated and inferred resources are of this status because of uncertainty of the structure that need further drilling to increase confidence. This is to be partly done in the coming drilling program, but the directors are confident in the robustness and definition of the resource so that the full definition will be done prior to development.

Gabanintha Description

Basically, the Gabanintha Resource has a “Windimurra” Hanging wall ore zone AND a “Balla Balla” Footwall Zone. This unique ore type stacking will allow the exploitation of an onsite feed to a “Windimurra style” Ferro Vanadium plant as well as the direct shipping of a lump or fine “Balla Balla style” iron rich feedstock on the single site.

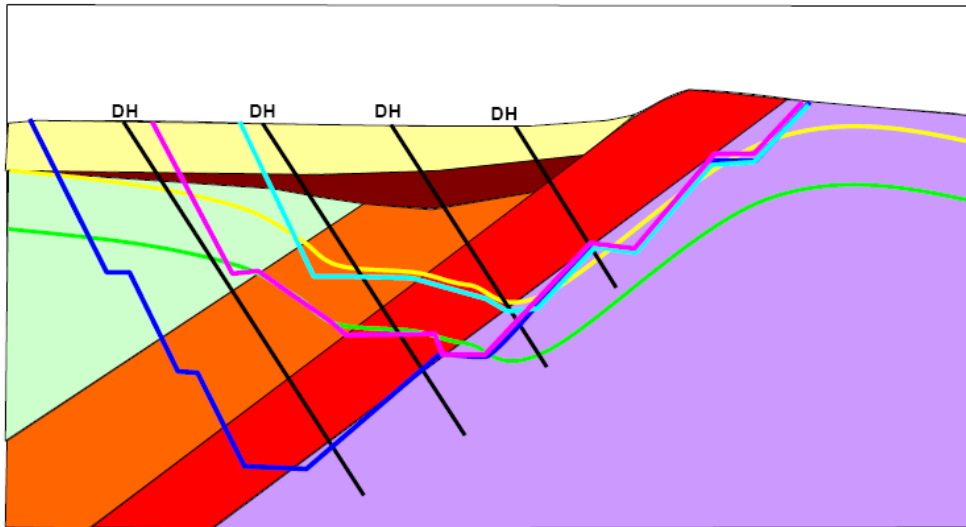
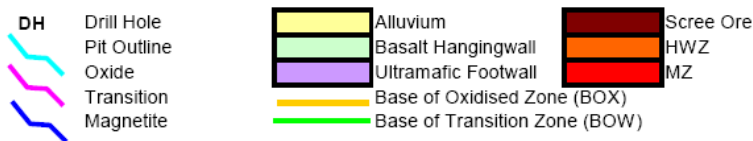


Figure 1 Schematic Section Showing Ore Types and Pit Development



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.

Corporate

The company, at its annual general meeting on 26 November 2008 re-elected John Geary and Peter Remta as directors and elected Brian John and Rocco Schirripa as new directors of the company.

Dennis McInerney resigned as a director prior to the annual meeting and John Geary and Quentin Williams resigned as directors subsequent to the annual meeting.

Mary-Eileen Scanlan, who is a well known corporate lawyer, replaced John Geary as secretary of the company on 11 December 2008.

COMPETENT PERSON STATEMENT

Information in this report that relates to Exploration Results is based on information compiled by 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 Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity undertaken to qualify as a Competent Person as defined in the 2004 Edition of the Australian Code for Reporting of Mineral Resources and Ore Reserves. Mr Schwann consents to the inclusion in this report of the matters based on information in the form and context in which they appear.

**Interest in Mining Tenements
As at 31 December 2008**

WESTERN AUSTRALIA

Gabarintha Tenements – Uranium & Vanadium

EL 51/431	80%
EL 51/843	100%
MLA 51/772	80%
MLA 51/814	100%
PL 51/2226	100%

Nowthanna Tenement – Uranium

MLA 51/771	80%
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Yanrey Tenement (Held by Cabe Resources Ltd – 100%)

ELA 08/1710

Lake Maitland Tenements (Held by Cabe Resources Ltd – 100%)

EL 53/1265	Lake Maitland North
EL 53/1266	Lake Maitland South

NORTHERN TERRITORY (Held by Australian Uranium Ltd - 100%)

E 24883	Money Shoal - Uranium
E 25339	Douglas Range - Uranium

Arunta Region Tenements (Held by Cabe Resources Ltd – 100%)

ELA 25418	Mt. Denison
EL 25426	Turners Dome
EL 25445	Mt. Nicker
ELA 25667	Mt. Cockburn

West Arnhem Tenure - 20% Indirect Interest through Apogie Pty Ltd

ELA 25638	Gumadeer
ELA 25645	Table Hill
ELA 26076	Mann
MCN 668-671	McKeddies.