

**MEDIA RELEASE**

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***Yellow Rock Resources announces strategy to capitalise on energy storage market with vertical integration***

Perth-based Yellow Rock Resources today announced it is stepping into the energy storage market with plans to sell vanadium-based batteries in the Australian market.

The company is an emerging vanadium producer with a high-grade deposit, Gabanintha, located near Meekatharra in Western Australia.

In addition to advancing Gabanintha, the company has also been exploring the potential for involvement in the energy storage market, which is growing at a significant rate; storage capacity is expected to grow to 185 Gwh over the next few years.

Vanadium Redox Flow Batteries are conservatively expected to capture 30% of this market, particularly in the large-scale commercial and grid-scale storage markets. This market share is anticipated due to the unique scalability and multiple-deep cycling features of Vanadium Redox Flow Batteries.

In terms of vanadium demand, that growth is expected to add around 300,000 tonnes of new demand for vanadium – three times what is currently produced for the steel market. When used in steelmaking, very small amounts of vanadium have profound effects on improving steel strength.

Yellow Rock Resources is stepping into this growing market with the establishment of a subsidiary company, VSUN Pty Ltd, which has been formed with a joint venture partner which has excellent experience in the installation of residential and commercial solar PV systems in Australia.

The vertical integration offers the opportunity for a mutually-beneficial arrangement for vanadium supply and consumption once Gabanintha is in production with VSUN planning to establish a vanadium electrolyte plant in the future.

Yellow Rock Resources will hold a majority stake in the company, which will offer the potential for early cash flows back to Yellow Rock. This will, in turn, further enhance the development of the Gabanintha project.

Yellow Rock Chief Executive Vincent Algar said it was an exciting time for the company with the new strategy alongside positive progress milestones at Gabanintha.

“The demand for renewable energy is continuing to grow as consumers seek sustainable energy supply,” Mr Algar said.

“But without a way to store this energy the renewable sector is incomplete and has to rely on traditional, CO<sub>2</sub>-intense forms when the sun is down or the wind is not blowing.

“Energy storage solutions such as vanadium flow batteries are the perfect answer as they are truly scalable, have a long lifespans, are safe and can be cost-effective when compared to escalating power prices.”

Yellow Rock Resources has negotiated the rights to sell and distribute two prominent German brands of Vanadium Redox Flow Battery in Australia and is finalising negotiations on the establishment of an electrolyte plant to supply new battery sales. The Company looks forward to announcing its project partners.

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