



8 April 2010

GABANINTHA - NITON XRF ANALYSIS

Key Points

- Results from a Niton XRF analysis of diamond drill core indicated the Vanadium mineralisation to persist with depth well below the existing resource model.
- Results promote the vertical depth of the mineralisation from 100 metres to 200 metres.
- Information obtained from the Niton XRF will be integrated into an updated resource statement.
- XRF defines diamond core sample for necessary metallurgical testing as the company progresses towards Feasibility studies.

Yellow Rock Resources Limited is pleased announce results for a Niton XL3t X-ray Fluorescence (Niton)¹ study of diamond core collected in a drill program completed last quarter 2009. The drilling was targeted within, and beneath, the existing resource to extend the resource at depth and to provide metallurgical sample.

Summary Niton results (tabulated below) support the continuity of vanadium mineralisation at depth, promoting the resource from a vertical depth of 100 metres to near 200 metres. Whilst Yellow Rock Resources believes that these readings are indicative of grade, the Company wishes to make clear that the Niton results are not formal assays and are an estimate of V grades only.

The Company is sufficiently encouraged by the results to prepare core samples for formal assay and validation of the Niton's performance, prior to remodelling the resource. It will also commit to a new program of metallurgical test work.

Results

Each hole was submitted for XRF analysis. At least 2, generally 3 (start, middle and end) and as many as 7 measurements were taken per metre stick of core and the results averaged. In places, such as outside ore zones, single point measurements were taken. The following table summarises intervals exceeding 5000 ppm V, with its accompanying Fe and Ti.

¹ The Niton is a calibrated hand-held quantitative micro-analyser capable of delivering real time results which can accelerate geological understanding and define zones of metallurgical and geochemical interest. The instrument, as used in this exercise, was for the real time confirmation of the vanadium distribution. It was not meant to define resources to reportable standards. For reliable and reportable results the instrument limitations need to be understood and proper checks including standards and check assays must be performed.

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Drill Hole	From	To	Interval	Fe %	V %	Ti %
GDH 901	41	53	12	40.02	0.74	6.49
GDH 902	98	112	14	41.15	0.59	5.46
GDH 903	195	208	13	38.15	0.52	4.38
GDH 904	33	46	13	42.52	0.62	5.48
GDH 905	29	36	7	38.47	0.51	4.14
GDH 905	102	127	25	38.96	0.50	4.30
GDH 906	221	223	2	38.46	0.65	5.43
GDH 907	38	49	11	42.01	0.54	4.52
GDH 908	111	117	6	42.06	0.53	4.66
GDH 909	202	209	7	47.02	0.62	5.41

Company Background – Gabanintha Project

In June-July 2007 YRR conducted a drilling program on the Gabanintha vanadiferous magnetite deposit. A further drilling program was conducted in February-March 2008. In February 2008 YRR commenced a Scoping Study and Development Program for the Gabanintha Vanadium Project.

In January 2009 YRR announced an increase and upgrade in the Mineral Resource for the Project. Based on both historical exploration data and the more recent drilling campaigns carried out by YRR, the Company reported a Mineral Resource of 151.2Mt grading 0.6% V₂O₅, with a high grade component of 69.6 Mt at 0.9% V₂O₅ (Refer Table 1).

In May 2009, YRR appointed Battery Limits Pty Ltd to undertake a “Concept Study” and a preliminary metallurgical testwork programme for the Project. The outcomes of the Concept Study were released in December 2009, and based on the encouraging results YRR commenced planning for the next stage of development.

In December 2009, YRR successfully completed a diamond core drilling program which was designed to extend the down dip resource to 200m vertical depth and to provide samples for further metallurgical testwork.

In March 2010, YRR appointed SRK to conduct a resource update, evaluation and technical assessment of the Gabanintha Vanadium Project.

Don Valentino
Executive Chairman

Technical information in this report has been prepared under the supervision of Mr Jonathan King, a director of Salient Pty Ltd, and a member of the Australian Institute of Geoscientists (AIG). Mr King has sufficient experience which is relevant to the style of mineralisation 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" (the JORC Code). Mr King consents to the inclusion in this report of the information, in the form and context in which it appears.

Table 1: Gabanintha Vanadium Project Resources:

		Million tonnes	V2o5	Tio2	Fe
High Grade	Measured	32.5	0.9	10.4	38.3
	Indicated	23.7	0.8	9.8	36.9
	Inferred	13.4	0.9	10.8	39.8
	Sub-total	69.6	0.9	10.3	38.1
Low Grade	Measured	53.9	0.4	5.6	21.6
	Indicated	9.7	0.4	5.8	22.7
	Inferred	6.2	0.4	5.8	22.6
	Sub-total	69.8	0.4	5.7	21.9
Scree	Measured	8.3	0.4	4.9	22.1
	Indicated	1.2	0.3	4.4	19.7
	Inferred	2.3	0.7	7.5	34.2
	Sub-total	11.8	0.4	5.4	24.2
Total	Measured	94.7	0.56	7.21	27.4
	Indicated	34.6	0.69	8.52	32.4
	Inferred	21.9	0.74	9.02	34.3
	Total	151.2	0.6	7.8	29.5