



Yellow Rock Resources Limited

ACN 116 221 740

Half Year Report

31 December 2013

Contents

Corporate Directory	3
Directors Report	4
Auditor's Independence Declaration	14
Statement of Comprehensive Income	15
Statement of Financial Position	16
Statement of Changes in Equity	17
Statement of Cash Flows	18
Notes to the Financial Statements	19
Directors' Declaration	22
Independent Audit Report	23

Corporate Directory

Directors

Sydney Chesson (Chairman)
Brenton Lewis
Leslie Ingraham

Secretary

Simon Chesson

Registered Office

420 Newcastle Street
West Perth WA 6005

Principal Office

420 Newcastle Street
West Perth WA 6005

Telephone

08 9227 6300

Facsimile

08 9227 6400

Share Registry

Computershare Investor Services Pty Ltd
Level 2
45 St George's Terrace
Perth WA 6000

Telephone 08 9323 2000
Facsimile 08 9323 2000

Auditors

Abbott Solutions
3 Alvan Street
Mt Lawley WA 6050

Australian Securities Exchange

Yellow Rock Resources Limited shares (YRR)
are listed on the Australian Securities Exchange.

Directors Report

Your directors submit the financial report of the consolidated entity for the half-year ended 31 December 2013. This report should be read in conjunction with the 2013 Annual Report and announcements. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

DIRECTORS

The names of the Directors who held office during or since the end of the half-year and until the date of this report are noted below. Directors were in office for this entire period unless otherwise stated:

Leslie Ingraham (Executive Director)

Sydney Chesson (Chairman)

Brenton Lewis (Non-Executive Director)

REVIEW OF OPERATIONS

The net loss for the half year attributed to members of Yellow Rock Resources Limited was \$11,305,702 (31 December 2012 - loss of \$339,356). The loss for the period included an allowance for impairment on capitalised exploration and evaluation of \$10,985,591 (31 December 2012: \$nil).

HIGHLIGHTS

- YRR attended the 85th Vanitec Conference in Beijing and met with prominent steel manufacturers.
- YRR to host the 86th Vanitec Meeting in Perth 31st March to 2nd April 2014.
- YRR has added new tenement application E51/1576 to the Gabanintha Project. The tenement lies 3.5km to the west of the existing YRR Gabanintha Project and occupies 10 blocks or 3,110 Ha.
- YRR received requests for bulk samples of its Gabanintha Vanadiferous Iron deposit.
- The exploration licence is situated over the Federal Bassett Shear Zone, a structure known to host gold mineralisation.
- YRR has completed 3,100 metres of RC drilling at its drilling targets on E51/843 identified from IP, HeliTEM and Soil Surveys completed and announced in recent months.
- Outstanding results from three Reverse Circulation holes drilled into the Northern Sector of Gabanintha tenement E51/843 in the Mid-West of Western Australia.
- Drill results from the Eastern Sector of Gabanintha also confirm significant copper in hole GRC1152 18m at 0.42% Cu (including 2m at 2.19% Cu) from 7m down hole.

NEW TENEMENT LOCATION

The new tenement area is situated about 55km south of Meekatharra in the Murchison region of WA approximately 3.5 kilometres west of the northern part of Gabanintha licence E51/843. See Figure 1 for location with respect to the YRR tenement holdings.

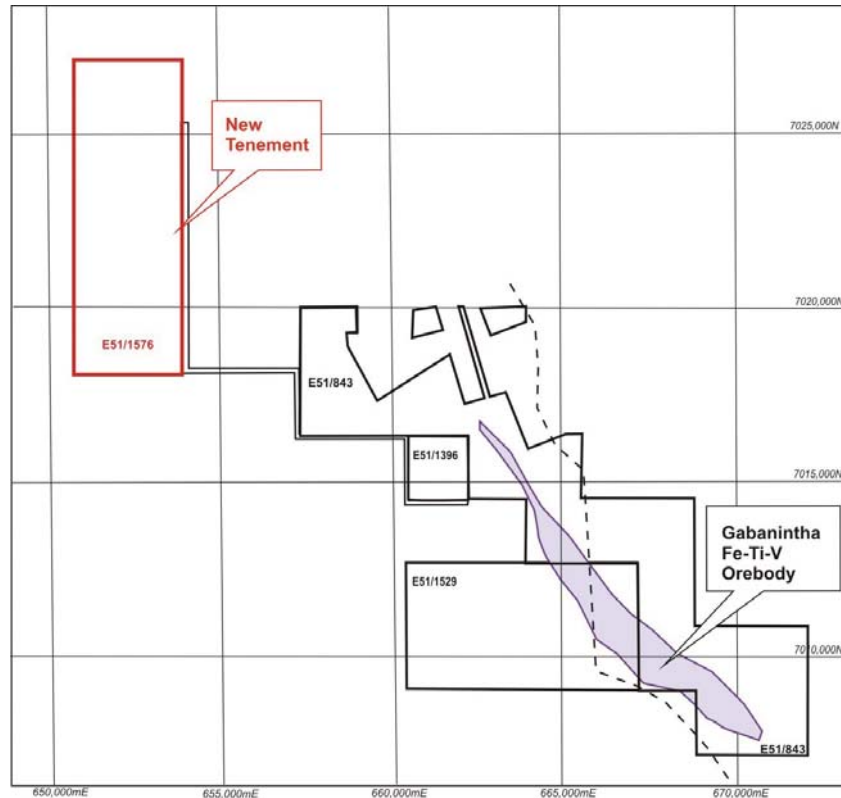


Figure 1: Location of new tenement E51/1576 in relation to YRR Gabanintha tenements

Generally the area has been part of much larger land holdings and therefore has only been considered as a regional exploration play while the nearby gold mining centres were developed.

The tenement area was previously held under the Windy Knob joint venture (EMU 51% and Aspire 49%) and is situated about 40km south of Meekatharra in the Murchison region of WA.

Soil geochemical sampling has been conducted over a 5km strike length of the interpreted position of the Federal Bassett Shear Zone, a structure known to host gold mineralisation. The geochemical sampling resulted in a 1.7km long gold and arsenic anomaly within a 5km long zone of discontinuous weaker gold anomalies along the prospective structure. Gold values are up to 10 times background (range 5 to 16ppb Au).

DRILL SAMPLES

4 test holes (GMT1 to GMT4) are planned to duplicate previous intercepts of holes GRC098 and GRC102 in order to obtain samples for metallurgical testing as summarised in Table 1 below:

Hole	Ore Type	Depth From (m)	Depth To (m)	Width (m)	Easting Zone 50	Northing Zone 50	RL Elevation (m)	Dip & Azimuth
GRC098	Oxide	36	49	13	664191	7014924	471	-60/050
GMT1	proposed				664174	7014937	471	-60/050
GMT2	proposed				664205	7014909	471	-60/050
GRC102	Fresh	86	103	17	664442	7014500	477	-60/050
GMT3	proposed				664477	7014511	477	-60/050
GMT4	proposed				664459	7014487	477	-60/050

Assay characteristics for the original holes are set out in Table 2 below:

Hole	Ore Type	Depth From (m)	Depth To (m)	Width (m)	V ₂ O ₅ %	Fe %	TiO ₂ %	SiO ₂ %	Al ₂ O ₃ %
GRC098	Oxide	36	49	13	1.11	48.02	12.37	7.25	6.04
GRC102	Fresh	86	103	17	1.01	45.22	11.49	11.46	5.89

10KG TEST SAMPLE

YRR received a request for a 10kg sample for metallurgical testing and has dispatched a sample of Gabanintha Vanadiferous Iron Ore to a Chinese buyer of iron ore. The sample comprised diamond drill hole half core from 202.94m to 206.20m in GDH903. It was taken to represent fresh ore containing more than 1% V₂O₅. Details are shown in Table 1 below:

Hole	Ore Type	Depth From (m)	Depth To (m)	Width (m)	Easting Zone 50	Northing Zone 50	RL Elevation (m)	Dip & Azimuth
GDH903	Fresh	202.94	206.20	3.26	663557	7015542	467	-60/050

	Assay	Fe %	V ₂ O ₅ %	TiO ₂ %	SiO ₂ %	P %	S %
Sample 1		55.14	1.44	15.95	1.50	0.003	0.09
10kg							

CURRENT RESOURCE

The current resource estimate for Gabanintha (using JORC 2004) is set out in the table below as completed by CSA Global:

Material	JORC Resource Class	Million Tonnes	In Situ Bulk Density	V ₂ O ₅ %	Fe%	TiO ₂ %	SiO ₂ %	Al ₂ O ₃ %	LOI %
High Grade	Indicated	14.4	4.17	1.03	42.14	12.07	11.42	7.84	3.37
	Inferred	46.0	4.16	0.97	42.15	11.19	12.37	8.28	3.20
	Sub-Total	60.4	4.16	0.98	42.15	11.40	12.15	8.17	3.24
Low Grade	Indicated	42.7	2.71	0.44	23.37	6.08	29.25	18.09	8.94
	Inferred	22.7	2.67	0.42	22.65	6.08	30.62	16.96	6.92
	Sub-Total	65.4	2.70	0.43	23.12	6.08	29.73	17.70	8.24
TOTAL	Indicated	57.0	2.97	0.59	28.10	7.59	24.76	15.51	7.54
	Inferred	68.8	3.51	0.79	35.70	9.50	18.40	11.15	4.43
	All	125.8	3.25	0.70	32.26	8.64	21.29	13.13	5.84

Note - In-situ dry bulk density has been assigned based on V₂O₅ grade, therefore density values quoted here are weighted average values. The Mineral Resource was estimated as a block model within constraining wireframes based upon logged geological boundaries and grade cut-offs of 0.3% V₂O₅ for Low Grade (LG) and 0.7% V₂O₅ for High Grade (HG). Tonnages have been rounded to reflect that this is an estimate

COPPER AND GOLD DRILLING RESULTS

Outstanding results were returned from three Reverse Circulation holes drilled into the Northern Sector of the Gabanintha tenements.

GRC1157 intersected 10 metres at 2.59 g/t Au and 0.10% Cu from 33m to 43m down hole. This includes 1m at 6.99 g/t Au from 39 to 40 metres down hole. Also intersected in the same hole was 1 metre at 1.26 g/t Au from 50m to 51m and 1 metre at 3.46 g/t Au and 0.5% Cu from 143m to 144m down hole. This hole was drilled in the northern part of E51/843 to intersect a possible N-S structure.

GRC1158 intersected 5 metres at 8.72 g/t Au and 3.05 % Cu from 31m to 36m down hole - including 1m at 11.4 g/t Au and 12.3 % Cu and was drilled into a SW-NE trending structure and is a new target area.

GRC1159 intersected 5m at 9.64 g/t Au and 0.18% Cu from 58m to 63m down hole

Minor intercepts of copper and gold included GRC1149 with 1m at 0.29% Cu and 0.36 g/t Au at 61m down hole, GRC1150 with 1m at 0.11% Cu and 0.91 g/t Au at 105m down hole

Results from the scout drilling of the IP anomaly in the Eastern Sector of Gabanintha also confirm significant copper in hole GRC1152 from 7m to 24m down hole where 18m was intersected an average of 0.42% Cu, including 2m at 2.19% Cu. This hole is in the oxide zone and associated with hematite and minor magnetite on a contact zone between basalt and ultramafic units.

Other significant intercepts in the Eastern Sector include GRC1151 with 9m at 0.15% Cu from 277m to 286m down hole, GRC1153 with 1m at 0.16% Cu from 299 to 300m down hole, GRC1155 with 1m at 0.65 g/t Au from 109-110m down hole and GRC1154 with 2m at 0.14% Cu from 344 to 346m down hole. These intervals correlate with logged chalcopyrite in RC chips.

The eastern “Heather” IP Anomaly appears to be sourced mainly from magnetite in mafic and ultramafic units and some drill holes had large (exceeding 60m) intervals of disseminated magnetite logged from the RC chips. To date there is no significant copper or gold within the magnetite-bearing samples. No iron assays have yet been completed on these magnetite-rich zones.

See Figures 2 and 3 for collar locations and figures 4, 5 and 6 for cross-sections of some of the drill holes.

See Appendix for summary table of drill results.

Note that all depths and intersection widths are in metres down hole, not expressed as true widths or vertical distances. The reason for this is that the true azimuths and dips of the mineralised intervals are unknown because they are derived from logging RC chips. Therefore any extrapolations of these measurements are interpretive and section diagrams remain schematic only.

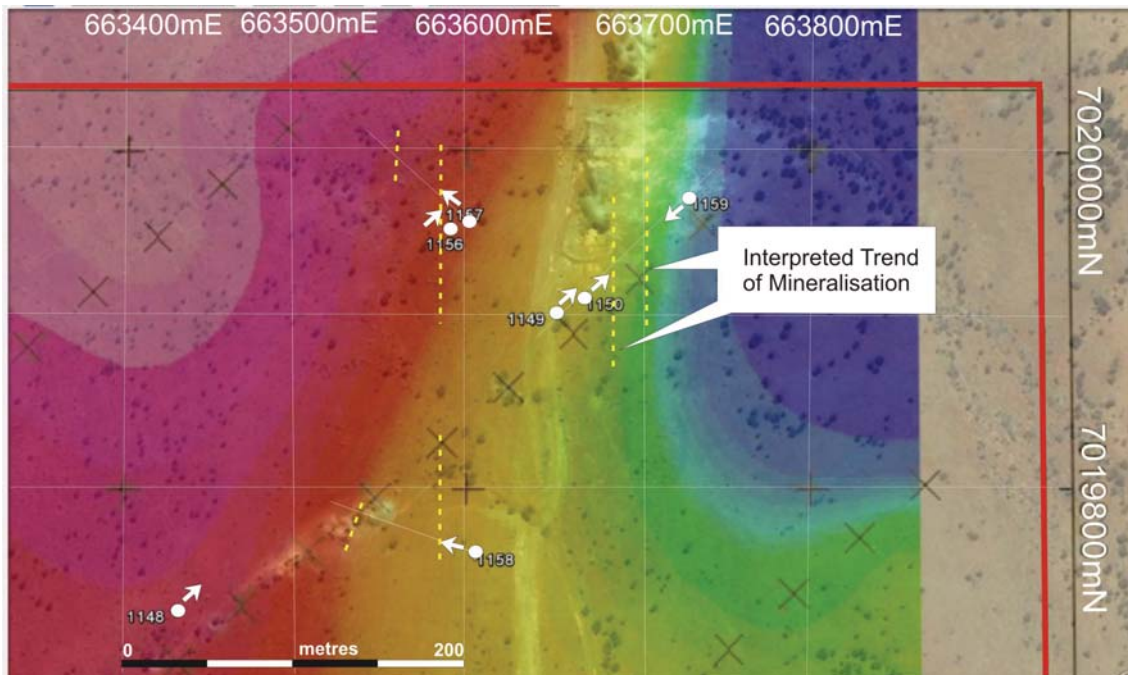


Figure 2 – Drilled collar sites GRC 1148 to GRC 1150 and GRC 1156 to GRC 1159 on background of Northern Sector IP anomaly. Arrows show UTM azimuth at dips at -60 degrees for all holes.

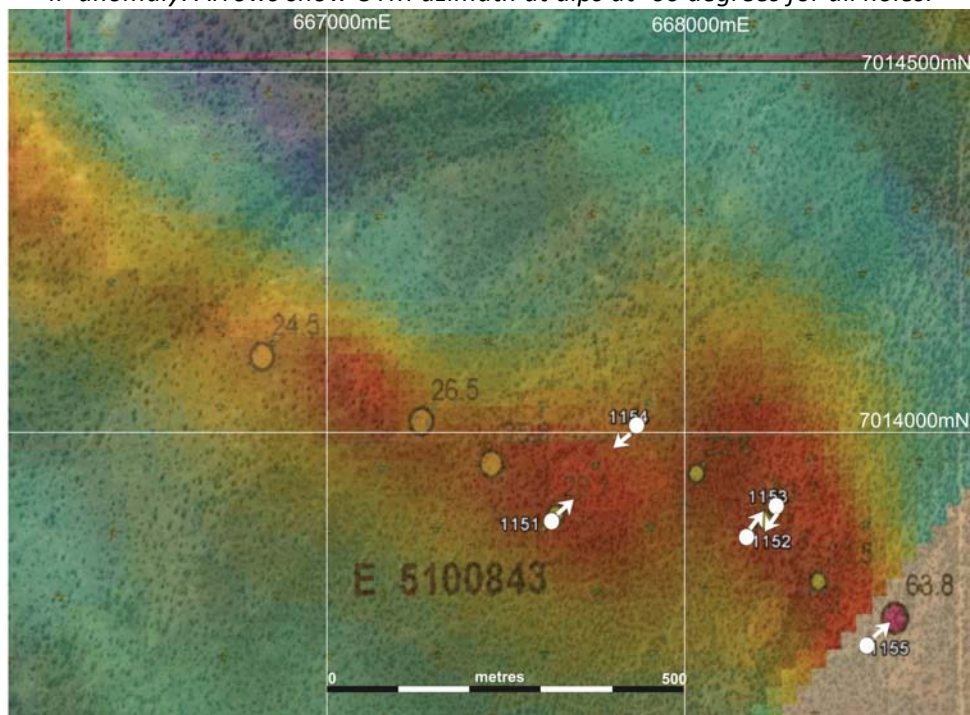


Figure 3 – Drilled collar sites GRC 1151 to GRC 1155 on background of Eastern Sector IP (“Heather”) anomaly.

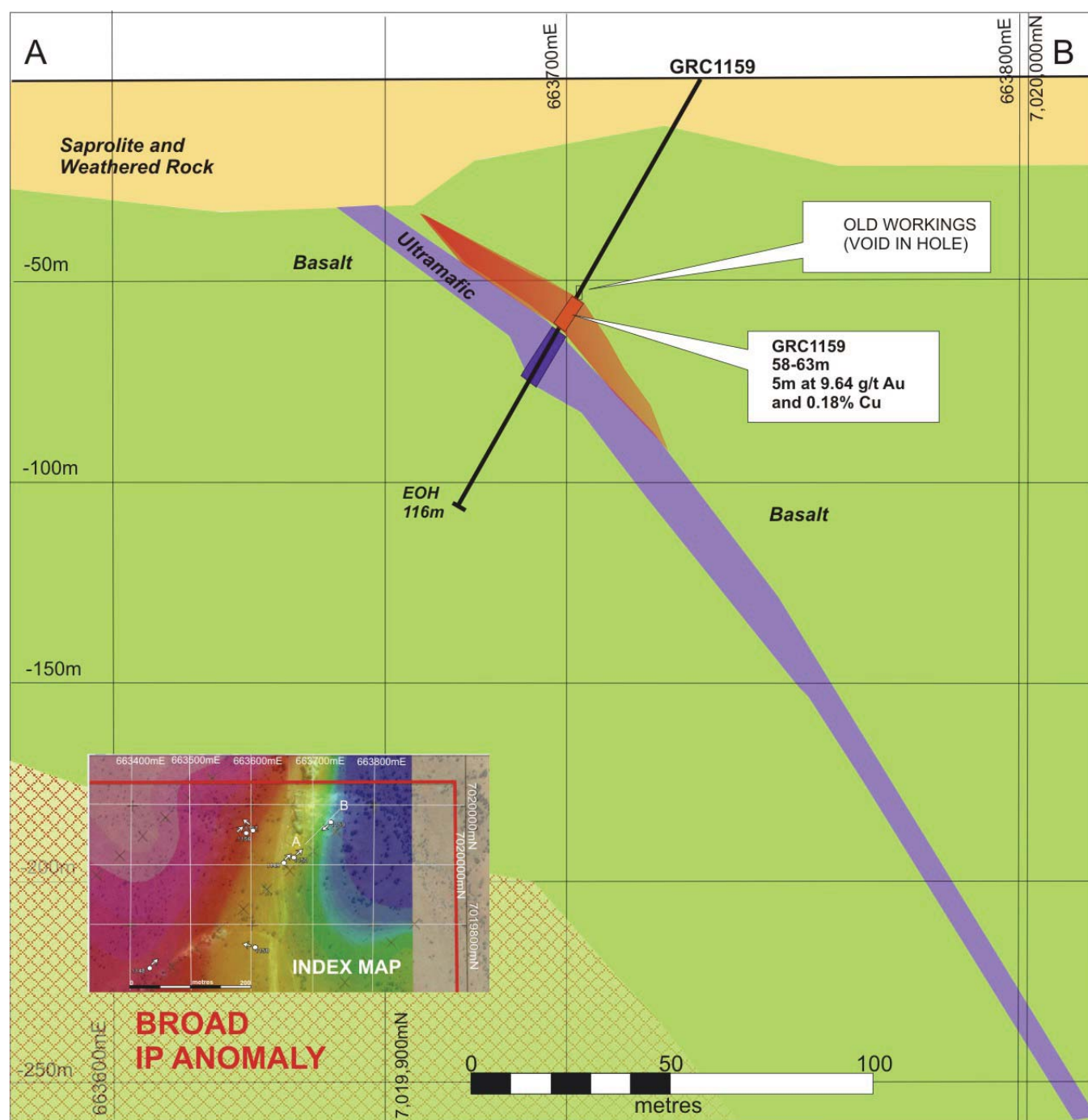


Figure 4 – Schematic Cross Section of drill hole GRC 1159 in the Northern Sector

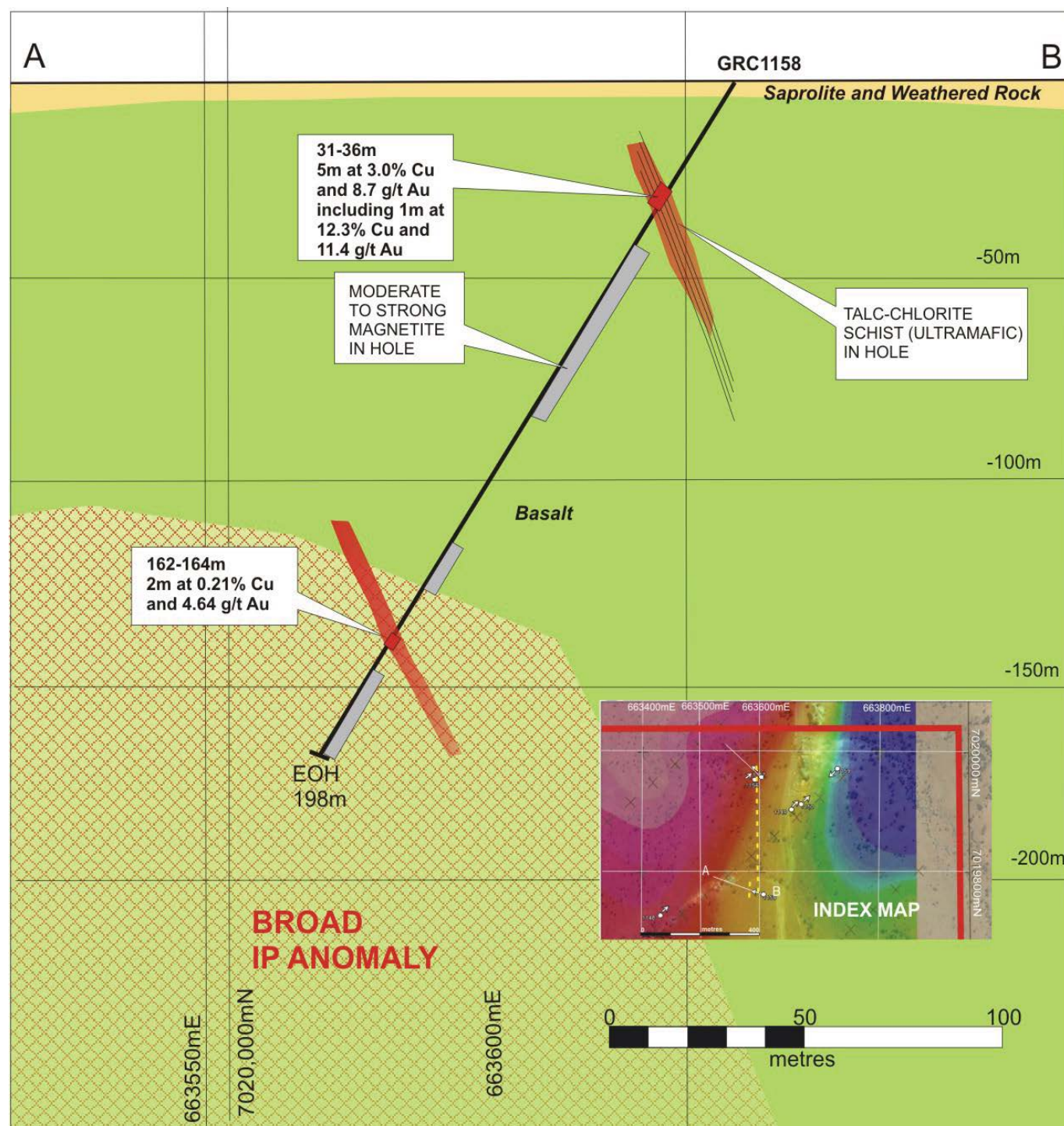


Figure 5 – Schematic Cross Section of drill hole GRC1158 in the Northern Sector

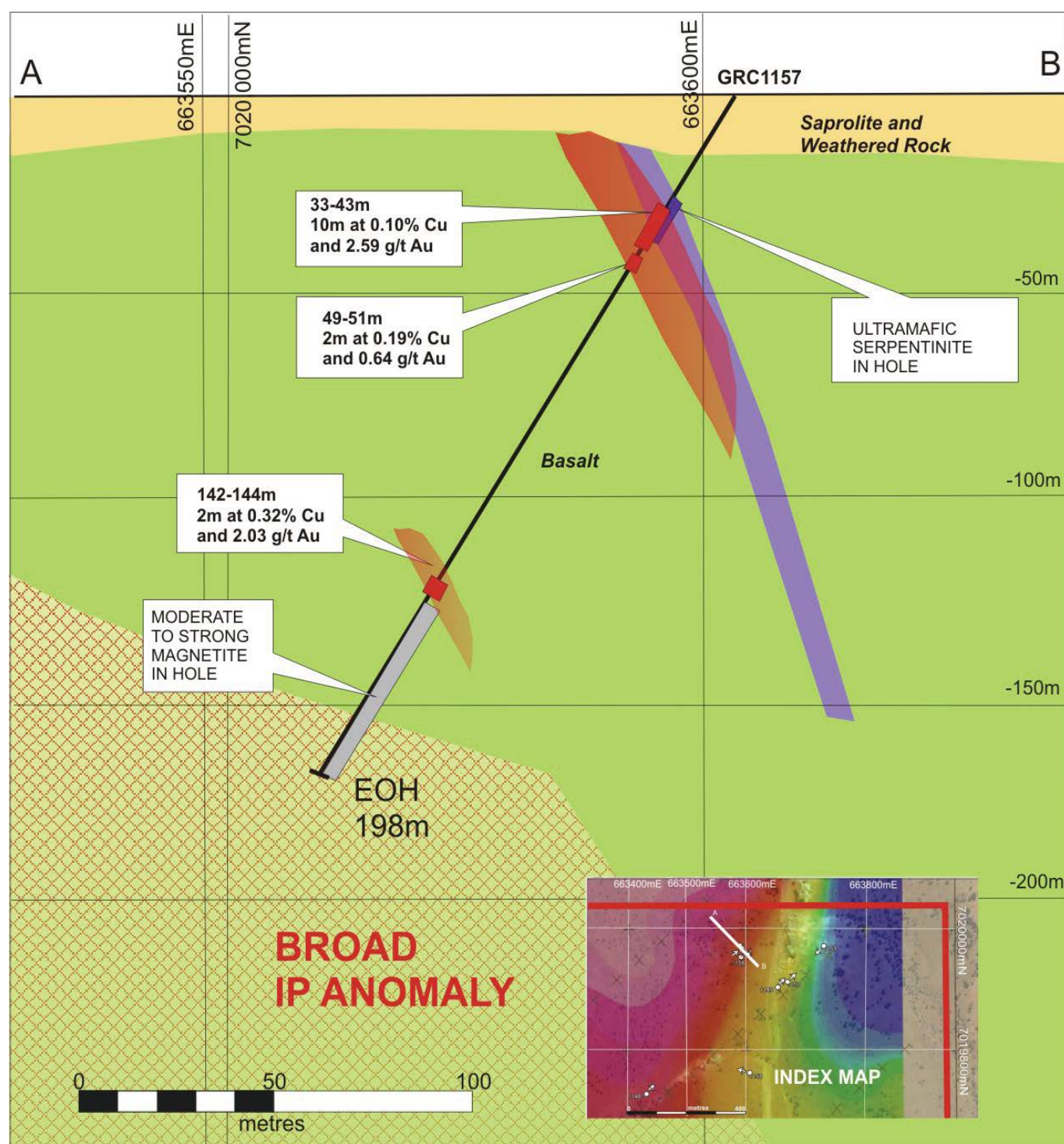


Figure 6 – Schematic Cross Section of drill hole GRC1157 in the Northern Sector

SUMMARY TABLE OF DRILLING RESULTS FOR ASSAYS ABOVE 0.1% Cu and/or 0.5 g/t Au

Hole ID	Easting UTM Zone 51	Northing UTM Zone 51	Relative Level (metres)	Azimuth Degrees True north	Dip	End of Hole Depth (metres)	Intercept 1	Intercept 2	Intercept 3
GRC 1159	663743m E	7019954mN	468	268	-60 ⁰	116	58-63m (5m) at 9.64 g/t Au and 0.18% Cu		
GRC 1158	663612m E	7019732mN	468	290	-60 ⁰	198	31-36m (5m) at 8.72 g/t Au and 3.05 % Cu - including 1m at 11.4 g/t Au and 12.3 % Cu	162 – 164m (2m) at 4.64 g/t Au and 0.21% Cu	
GRC 1157	663611m E	7019942mN	468	315	-60 ⁰	198	33-43m (10m) at 2.59 g/t Au and 1016 ppm Cu	49-51m (2m) at 0.64 g/t Au and 1921 ppm Cu	142-144m (2m) at 2.03 g/t Au and +0.32 % Cu
GRC 1156	663599m E	7019937mN	468	050	-60 ⁰	204	No significant assays		
GRC 1155	668332m E	7013604mN	468	050	-60 ⁰	168	109-110m (1m) at 0.65 g/t Au		
GRC 1154	668005m E	7013919mN	468	230	-60 ⁰	348	344-346m (2m) at 0.14% Cu		
GRC 1153	668201m E	7013804mN	468	230	-60 ⁰	330	299-300m (1m) at 0.16 % Cu		
GRC 1152	668167m E	7013757mN	469	050	-60 ⁰	330	7-24m (18m) at 0.42% Cu Including 2m at 2.19% Cu		
GRC 1151	667888m E	7013785mN	475	050	-60 ⁰	354	277-286m (9m) at 0.15% Cu		
GRC 1150	663679m E	7019892mN	475	050	-60 ⁰	300	105-106m (1m) at 0.11% Cu and 0.91 g/t Au		
GRC 1149	663663m E	7019879mN	498	050	-60 ⁰	300	61-62m (1m) at 0.29% Cu and 0.36 g/t Au		
GRC 1148	663434m E	7019699mN	490	050	-60 ⁰	255	No significant assays		

RESEARCH AND DEVELOPMENT

The Company continues with its research and development program into the vanadium deposit at the Company's Gabanintha project, and continues to research the uses for vanadium, and the processing techniques and technologies. The Company will continue to review options for direct shipping ore, beneficiation and processing to enable the Company to commercialise the resource over time.

The Company has taken an active role in Vanitec, which is a leading organisation involved in the vanadium industry.

COMPETENT PERSONS STATEMENT

The information in this statement that relates to Exploration Targets, Exploration Estimates, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by independent consulting geologist Brian Davis B.Sc (hons), Dip.Ed.

Mr 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.

Mr 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'. Mr Davis consents to the inclusion in the report of the matters based on the information made available to him, in the form and context in which it appears".

The information that refers to Exploration Results and Mineral Resources in this announcement was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since last reported.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

Significant changes in the state of affairs of the consolidated entity during the half year are detailed under the heading 'Review of Operations' of this report.

In the opinion of the Directors, there were no other significant changes in the state of affairs of the consolidated entity that occurred during the final year under review not otherwise disclosed in this report or in the financial report.

AUDITOR'S DECLARATION OF INDEPENDENCE

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 in relation to the review for the half-year ended 31 December 2013 is included within this financial report.

On behalf of the Directors



Sydney Chesson
Chairman

Perth, 14 March 2014



**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE
CORPORATIONS ACT 2001
TO THE DIRECTORS OF YELLOW ROCK RESOURCES LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2013 there have been:

- i) No contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- ii) No contraventions of any applicable code of professional conduct in relation to the review.

GRAEME WOVODICH, C.P.A.

A handwritten signature in black ink, appearing to read "G Wovodich", written in a cursive style.

Registered Company Auditor No. 13421

Dated this 14 day of March 2014

Mount Lawley Office

3 Alvan Street, Mount Lawley WA 6050

Postal address

PO Box 42, Mount Lawley WA 6929

T : (08) 9272 8611

F : (08) 9272 3509

E : info@abbottsolutions.com.au

W : www.abbottsolutions.com.au

Statement of Comprehensive Income

For the half year ended 31 December 2013

		Consolidated	
		31 Dec	31 Dec
		2013	2012
	Notes	\$	\$
Revenue			
Revenue		138,073	27,756
		138,073	27,756
Expenses			
Exploration and evaluation expenditure		18,028	27,719
Depreciation		2,367	2,387
Directors fees and benefits expenses		237,000	174,990
Impairment investments		10,985,591	-
Other expenses		200,789	162,016
Loss before income tax expenses		11,443,775	367,113
Net Loss for Year		(11,305,702)	(339,356)
Other Comprehensive Income		-	-
Other Comprehensive Income for the year, net of tax		-	-
Total Comprehensive Income attributable to members of Yellow Rock Resources Ltd		(11,305,702)	(339,356)
Basic/ diluted earnings per share		(0.08)	(0.06)

The accompanying notes form part of these financial statements.

Statement of Financial Position

As at 31 December 2013

	Notes	Consolidated	
		31 Dec	30 June
		2013	2013
		\$	\$
Assets			
Current Assets			
Cash and cash equivalent		190,013	923,836
Trade and other receivables		2,334,335	2,189,206
Total Current Assets		2,524,348	3,113,042
Non-Current Assets			
Plant and equipment		19,210	21,577
Deferred exploration expenditure	2	13,637,405	24,207,620
Total Non-Current Assets		13,656,614	24,229,197
Total Assets		16,180,963	27,342,239
Liabilities			
Current Liabilities			
Trade and Other Payables		156,337	11,910
Total Current Liabilities		156,337	11,910
Total Liabilities		156,337	11,910
Net Assets		16,024,625	27,330,328
Equity			
Issued capital	3	59,499,090	59,499,090
Reserves		22,544,306	22,544,306
Accumulated Losses		(66,018,771)	(54,713,068)
Total Equity		16,024,625	27,330,328

Statement of Changes in Equity

for the half year ended 31 December 2013

	Issued Capital \$	Consolidated Accumulated Losses	Other Reserves	Total \$
Balance as at 1 July 2012	59,499,090	(54,321,105)	22,544,306	27,722,291
Loss for period	-	(339,356)	-	(339,356)
Total comprehensive loss for period		(339,356)		(339,356)
Cost of share based payments	-	-	-	-
Balance as at 31 December 2012	59,499,090	(54,660,461)	22,544,306	27,382,935
Balance as at 1 July 2013	59,499,090	(54,713,068)	22,544,306	27,330,328
Loss for period	-	(11,305,702)	-	(11,305,702)
Total comprehensive loss for period		(11,305,702)		(11,305,702)
Cost of share based payments	-	-	-	-
Balance as at 31 December 2013	59,499,090	(66,018,770)	22,544,306	16,024,625

The accompanying notes form part of these financial statements.

Statement of Cash Flow

For the half year ended 31 December 2013

	Notes	31 December 2013 \$	31 December 2012 \$
Cash Flow from Operating Activities			
Receipts from customers		18,199	136,947
Payments to suppliers and employees		(330,261)	(395,813)
Interest received		11,643	27,756
Expenditure on mining interests		(18,028)	(27,719)
Net Cash Flow from Operating Activities		(318,447)	(258,829)
Cash Flows from Investing Activities			
Payment for property, plant & equipment		-	5,738
Expenditure on mining interests		(415,376)	(98,876)
Net cash used in investing activities		(415,376)	(93,138)
Cash Flows from Financing Activities			
Proceeds from issue of shares		-	-
Payment of capital raising costs		-	-
Net Cash Inflow (Outflow) from Financing Activities		-	-
Net Increase in Cash Held		(733,823)	(351,967)
Cash at beginning of the financial year		923,836	1,468,817
Cash at the End of the Period		190,013	1,116,850

Notes to the Financial Statements

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This consolidated interim financial report for the half-year reporting period ended 31 December 2013 has been prepared in accordance with Australian Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Act 2001.

This consolidated interim financial report does not include full disclosures of the type normally included in an annual report. It is recommended that this financial report to be read in conjunction with the annual financial report for the year ended 30 June 2013 and any public announcements made by Yellow Rock Resources Limited during the half-year reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies have been consistently applied with those of the previous financial year and corresponding interim reporting period, except in relation to the matters disclosed below.

New and Revised Accounting Standards

In the current year, the consolidated entity has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current annual reporting period. The adoption of these new and revised Standards and Interpretations has not resulted in a significant or material change to the consolidated entity's accounting policies.

2. DEFERRED EXPLORATION EXPENDITURE

		31 December 2013	30 June 2013
	Notes	\$	\$
Deferred exploration expenditure	2		
Expenditure brought forward		24,207,619	23,958,613
Tenement acquisition		-	-
Tenements acquired from acquisition of controlled entity		-	-
Allowance for impairment		(10,985,591)	-
Expenditure incurred during the year		415,376	249,006
Expenditure written off during year		-	-
Expenditure carried forward		13,637,405	24,207,619

The expenditure above relates principally to the exploration and evaluation phase. The ultimate recoupment of this expenditure is dependent upon the successful development and commercial exploration, or alternatively, sale of the respective areas of interest, at amounts at least equal to book value.

Notes to the Financial Statements

3. ISSUED CAPITAL

	Notes	31 December 2013 \$	30 June 2013 \$
Issued Capital	3		
Cash Flows from Financing Activities	3(a)		
Ordinary shares - fully paid		57,331,840	57,331,840
Ordinary shares - partly paid		2,167,250	2,167,250
		59,499,090	59,499,090
Movement in ordinary share in issue	3(b)		
(i) Ordinary share - fully paid			
Balance at beginning of year		349,026,205	57,331,840
Movement		-	-
Balance at end of year		349,026,205	57,331,840
(ii) Ordinary share - partly paid (\$0.0389 unpaid)			
Balance at beginning of year		80,000,000	2,167,250
Movement		-	-
Balance at end of year		80,000,000	2,167,250
Total issued and paid up shares		429,026,205	59,499,090

4. SEGMENT INFORMATION

The consolidated entity has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The Board of Directors has considered the business from both a geographic and business segment perspective and has identified one reportable segment. The identifiable reportable segment is mineral exploration within Australia.

5. CONTINGENT LIABILITIES

There has been no change in contingent liabilities since the last annual reporting date.

6. DIVIDENDS

No dividends have been declared or paid during the half year ended 31 December 2013 or in the prior period, and the Directors do not recommend the payment of a dividend in respect of the half year ended 31 December 2013.

7. EVENTS SUBSEQUENT TO REPORTING DATE

Since balance date, the following key events have occurred:

- On 28 February 2014 the Company announced that it would undertake a pro-rata non-renounceable rights issue to raise approximately \$3,490,262. The basis of the rights issue is 1 new share and 1 new unquoted option for every 1 share held at the record date. If maximum subscription is taken up, this will result in the issue of approximately 349,026,205 new shares and 349,026,205 new unquoted options. The effect of the rights issue is not shown in these half year financial statements.

There are no matters or circumstances which have arisen since the end of the half-year which significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in subsequent financial periods.

Directors' Declaration

In the opinion of the directors of Yellow Rock Resources Limited ('the company'):

1. The financial statements and notes thereto of the consolidated entity, as set out within this financial report, are in accordance with the Corporations Act 2001 including:
 - a. complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and
 - b. giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and of its performance for the half-year then ended.
2. There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors



Sydney Chesson

Chairman

Perth, 14 March 2014

Independent Auditor's Report to the Members of Yellow Rock Resources Limited



We have reviewed the accompanying half-year financial report of Yellow Rock Resources Limited, which comprises the balance sheet as at 31st December 2013, the income statement and statement of changes in equity for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards. The directors are also responsible for the remuneration disclosures contained in the directors' report.

Auditor's Responsibility

Our responsibility is to express a conclusion on the financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report: Company Limited by Guarantee, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the company's financial position as at 31 December 2013 and its performance as at the half year ended on that date; and complying with the Australian Accounting Standards AASB 134 Interim Financial Reporting and Corporations Regulations 2001. ASRE 2410 requires that we comply with the ethical requirements relevant to the review of the financial report.

A review of a financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Mount Lawley Office

3 Alvan Street, Mount Lawley WA 6050

Postal address

PO Box 42, Mount Lawley WA 6929

T : (08) 9272 8611

F : (08) 9272 3509

E : info@abbotsolutions.com.au

W : www.abbotsolutions.com.au

Independence

In conducting our review, we have met the independence requirements of the Corporations Act 2001. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the financial report of Yellow Rock Resources Limited is not in accordance with the *Corporations Act 2001* including:

1. giving a true and fair view of the company's financial position as at 31 December 2013 and of its performance for the year ended on that date; and
2. Complying with Australian Accounting Standards AASB 134 *Interim Financial Reporting* and Corporations Regulations 2001.

GRAEME WOVODICH, C.P.A.



Registered Company Auditor No. 13421

Dated this 14 day of March 2014



Yellow Rock Resources

420 Newcastle Street
West Perth WA 6005

Telephone: (08) 9227 6300
Facsimile: (08) 9227 6400
Email: yrinfo@yellowrock.com.au