



ASX / MEDIA ANNOUNCEMENT

14 October 2014

**Yellow Rock Resources
Limited**

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Projects:

Gabanintha Vanadium

Gabanintha Gold, copper



GABANINTHA VANADIUM PROJECT UPDATE

Defining the Next Stage of Feasibility Activity

Yellow Rock Resources Limited (ASX: YRR) ("Yellow Rock" or "the Company") is pleased to provide an update relating to the next stage of technical activity at the high grade Gabanintha Vanadium Project in Western Australia.

The Company considers results from the recently completed concept engineering study (*see ASX announcement dated 15 September 2014*) to be significantly encouraging to warrant further technical and financial evaluation.

Yellow Rock is currently considering a number of technical programs and management options to advance the project toward Bankable Feasibility. A number of proposals from highly experienced metallurgical, mining and environmental services groups will be evaluated over the course of the next month to ensure a cost efficient and technically robust development path is selected.

The Company plans to enter service agreements with a combination of internal and external specialists from the resources industry to deliver a Pre-feasibility Study ("PFS") by mid-2015, which is a normal precursor for a Full Feasibility Study to support a project of the specific nature and size of Gabanintha.

Yellow Rock CEO, Lorry Hughes said "Going out to tender for the next stage of technical evaluation is an important step for The Board to ensure an efficient, timely and outcomes based work program is selected.

"The results of the PFS will be critical for the decision making process and should provide a strong marketing tool for Yellow Rock to engage with potential strategic partners that can assist with the further stages of mine development and financing.

"In addition the Company is reviewing the resource model, near-term drilling plans and sampling requirements to deliver a JORC 2012 Compliant Mineral Resource Estimate in support of the Pre-feasibility Study."

More information will be released about planned activity with intended timelines when the Board has evaluated and approved the next steps.

For further information, please contact:
Lorry Hughes, CEO
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Investor Coverage

Recent news on the Company activities can be found on the Yellow Rock Resources website <http://www.yellowrock.com.au/>

About Yellow Rock Resources Limited

Yellow Rock is developing the Gabanintha high-grade Vanadium Deposit located in the Murchison Province ~43kms south of the mining town of Meekatharra in Western Australia. The project consists of eight granted exploration licenses and one exploration license application in the Gabanintha Formation in the north of the Murchison granite-greenstone terrane of the Archaean Yilgarn Craton.

Mineralisation is associated with titaniferous magnetite bands ranging in size from a few metres to 30m thick that outcrop at surface. There are two distinct zones of mineralisation a separate basal, massive, high grade zone and an upper disseminated zone with lower grade. The deposit is over 12km along strike, outcrops at surface and is largely continuous. Over 13,000m of drilling has been conducted on the deposit comprising 155 reverse circulation (RC) holes and nine diamond (DD) holes. These holes have been geologically logged and sampled and were used to determine a JORC 2004 Compliant Mineral Resource Estimate in 2011 (Table below).

Engineering scoping studies into the development of a vanadium mine at Gabanintha conducted in 2009 demonstrated that an operation to mine and beneficiate ore to produce ferro-vanadium is technically and commercially viable. Recent developments in vanadium redox battery technology for grid-scale energy storage with improved vanadium demand fundamentals have underpinned the technical assessment into production options including high purity vanadium pentoxide products. The Company is focused on definition of the most economical start-up mining and product combination that minimises capital expense and maximises value.

| 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 |
| Subtotal | | 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 |
| Subtotal | | 57.0 | 2.97 | 0.59 | 28.10 | 7.59 | 24.76 | 15.51 | 7.54 |
| Subtotal | | 68.8 | 3.51 | 0.79 | 35.70 | 9.50 | 18.40 | 11.15 | 4.43 |
| Total | | 125.8 | 3.25 | 0.70 | 32.60 | 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 0.30% V₂O₅ for Low Grade (LG) and 0.70% V₂O₅ for High Grade (HG). Tonnages have been rounded to reflect that this is an estimate.

The Gabanintha Project area is also highly prospective for gold and copper mineralisation.

Competent Person Statement

The information in this statement that relates to 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.

Forward Looking Statements

No representation or warranty is made as to the accuracy, completeness or reliability of the information contained in this release. Any forward looking statements in this presentation are prepared on the basis of a number of assumptions which may prove to be incorrect and the current intention, plans, expectations and beliefs about future events are subject to risks, uncertainties and other factors, many of which are outside Yellow Rock Resources Limited's control. Important factors that could cause actual results to differ materially from the assumptions or expectations expressed or implied in this presentation include known and unknown risks. Because actual results could differ materially to the assumptions made and Yellow Rock Resources Limited's current intention, plans, expectations and beliefs about the future, you are urged to view all forward looking statements contained in this release with caution. The release should not be relied upon as a recommendation or forecast by Yellow Rock Resources Limited. Nothing in this presentation should be construed as either an offer to sell or a solicitation of an offer to buy or sell shares in any jurisdiction.