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YRR secures new tenement E51/1529

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**The directors of YRR were prompted by new finds from the
HELITEM geophysical data modelling at Gabanintha.**

HIGHLIGHTS

- **YRR secures new tenement immediately west of Gabanintha exploration licence for 30 million shares and 30 million options plus \$165,000 including GST for tenement services.**
- **Modelling of the Gabanintha HELITEM survey data by Fugro Airborne Services Pty Ltd geophysicists produced results that support the securing of the adjoining tenement E51/1529.**
- **The model data shows a strong continuation of the iron-titanium-vanadium deposit down dip to the west as well as parallel multiple iron-bearing formations in the hangingwall that extend into new tenement E51/1529.**
- **E51/1529 also contains another strong magnetic anomaly indicative of iron-bearing formations further west which holds promise for exploration.**
- **The issue of 30 million shares and 30 million options is subject to any regulatory approvals that may be required.**

GABANINTHA HELITEM GEOPHYSICAL DATA MODELLING

As a result of the helicopter-borne Time domain Electromagnetic and Magnetic Survey (HELITEM) on the Gabanintha and Nowthanna Hill Tenements YRR has engaged Fugro Airborne Services Pty Ltd (Fugro) geophysicists to model the electro-magnetic responses.

The HELITEM survey covered the entire area of the YRR Gabanintha and Nowthanna tenements and was completed by Fugro over 537 line kilometres with flight paths at 150 metres apart.

This technique is reputed to be capable of providing deeper profiles of the known and potential mineralised bodies and to allow better mapping of areas prospective for copper and gold.



The data from the HELITEM survey has been modelled and interpreted by Fugro geophysicists. Figure 1 below demonstrates modelled surfaces dipping west extrapolated from the magnetic susceptibility data. This indicates that there is a significant volume of magnetic material to the west and down dip from the surface trace of the Gabanintha orebody. The typical magnetic model profile shown in Figure 2 demonstrates that multiple magnetic units are present in the hangingwall sequence. These have not yet been tested by drilling.

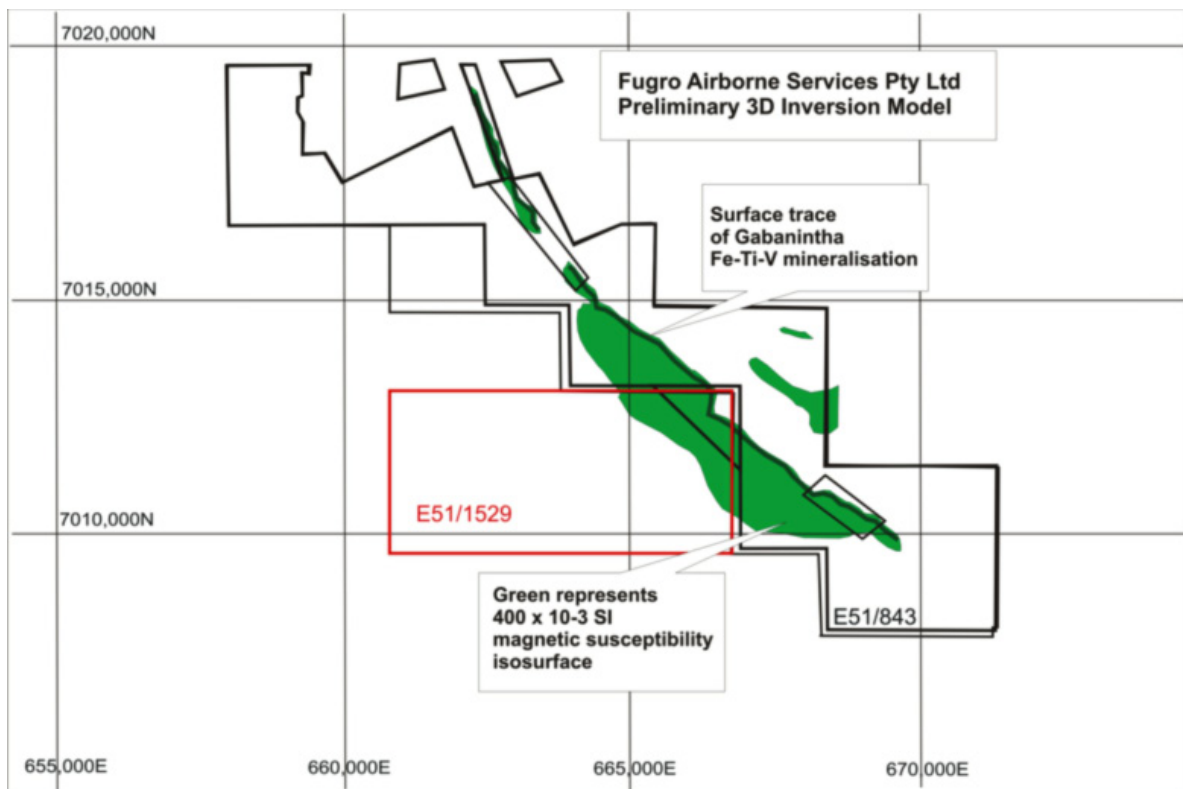


Figure 1 - Preliminary 3D Magnetic Susceptibility Inversion Model of Gabanintha mineralisation.

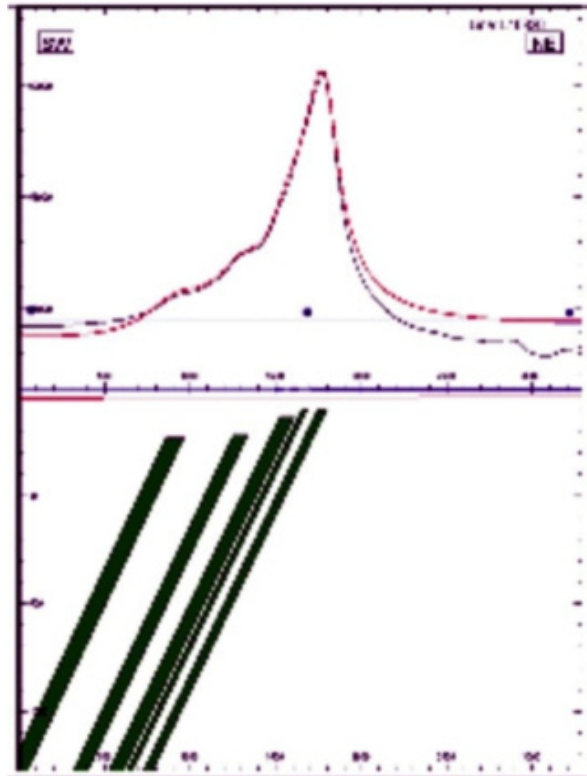


Figure 2 - Preliminary model of typical profile through Gabanintha showing multiple magnetic units dipping to the west.

NEW TENEMENT ACQUISITION

YRR has applied for the tenement immediately west of Gabanintha exploration licence.

Exploration Licence Application E51/1529 held by Kalimantan Nominees Pty Ltd has now been uplifted to allow YRR to apply for the tenement in exchange for 30 million ordinary shares in YRR and 30 million unlisted options exercisable at 2.5 cents per share and payment of \$165,000 including GST for tenancy services. YRR will pay a further cash component of \$500,000 in the event that any required regulatory approvals are not gained.

This tenement E51/1529 covers part of the hangingwall sequence of the Gabanintha deposit. Geological Survey of WA regional Total Magnetic Intensity (TMI) maps show that E51/1529 also contains another strong magnetic anomaly indicative of iron-bearing formations further to the west. It is expected that this highly magnetic unit is a Banded Iron Formation (BIF) or similar iron-rich unit. The geology map at 1:100,000 scale shows few outcrops and extensive alluvial or coluvial cover. This magnetic unit will be the subject of further exploration programmes when the tenement is granted. See Figure 3 below.

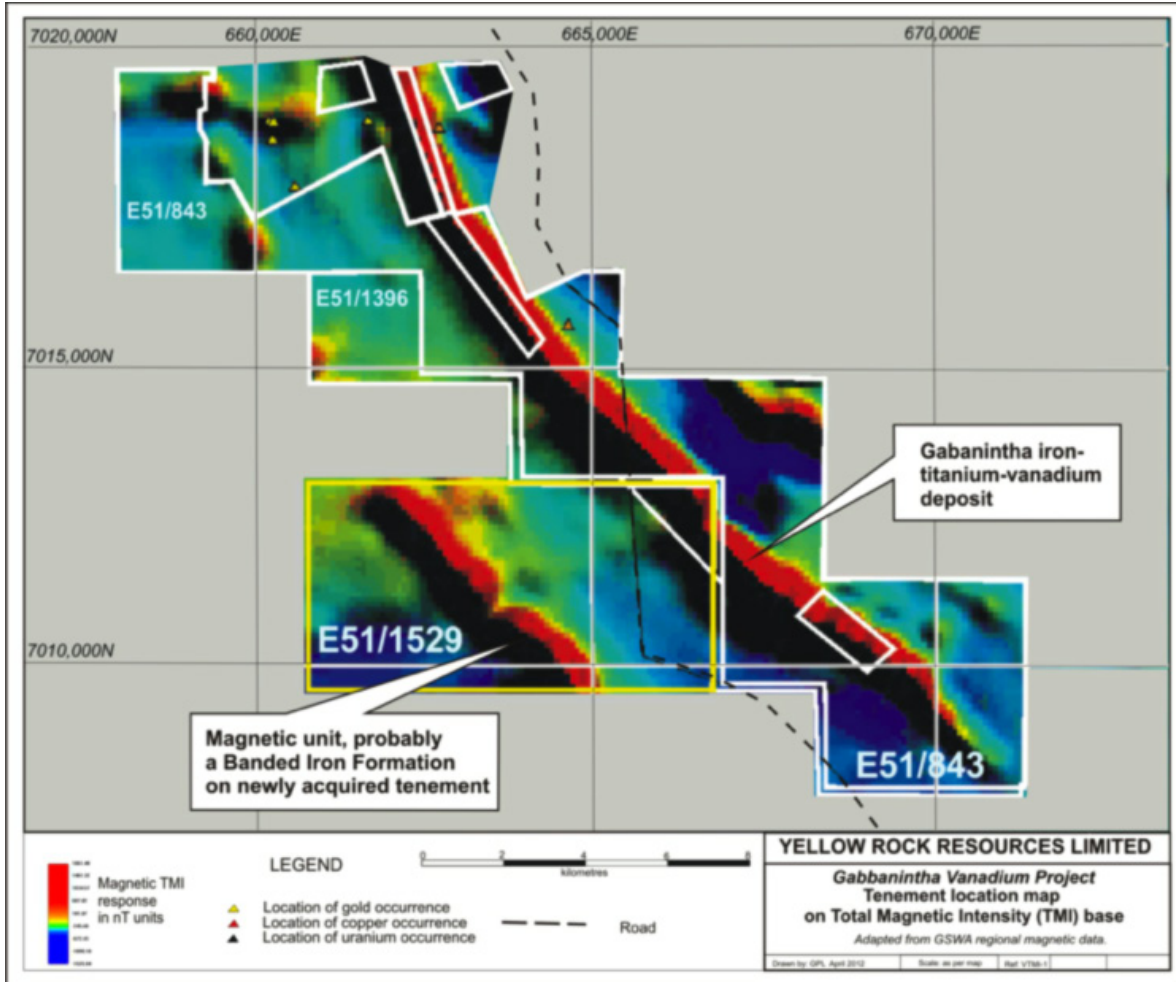


Figure 3 - Regional Total Magnetic Intensity (TMI) map of Gabanintha magnetic units.

Yours sincerely,

Leslie Ingraham
Executive Director

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".