

SEPTEMBER 2010 QUARTER HIGHLIGHTS

HERA & NYMAGEE PROJECTS

- On 13th October YTC announced the Hera DFS scope will be expanded to include the assessment of mining and treatment of high grade copper mineralisation from the Nymagee Copper Mine together with additional resources from the Hera Deposit. The DFS expansion is expected to be completed whilst maintaining the existing permitting and development timeline. The decision to expand the DFS followed on from a number of outstanding drill results from the Company's exploration programme. Highlight results include:
 - The discovery of high grade copper below the historic Nymagee mine, with first two drill results returning:
 - **8.9m @ 7.2% Cu, 24g/t Ag & 0.16g/t Au** in hole NMD001; and
 - **7.0m @ 8.3% Cu, 46g/t Ag & 0.32g/t Au** in hole NMD001W1
 - High grade gold discovered 120m south of the existing Hera deposit, in hole **HRD026: 7.7m @ 12.3g/t Au*, 0.41% Cu, 2.1% Pb & 2.8% Zn** from 520.3m.
 - High grade gold and base metal identified outside the Hera Far West Lens resource in hole TNY005W2 which recorded **11m @ 11.1g/t Au, 40g/t Ag, 6.9% Pb and 13.6% Zn** from 594m
 - The discovery of **shallow oxide gold** mineralisation at the northern end of the Hera deposit in hole HRRC008 which recorded: **45m @ 1.5g/t Au** from 9m
- Hera DFS outputs available to date indicate a shallow underground mine capable of generating strong operating margins:

Summary Description	Optimised Output
Annual Production	350,000 tpa
Average Gold Equivalent Production	50,233 oz pa
Operating Cost / tonne	\$97.10
Operating Cost /oz Au Eq	\$676
Operating Margin/tonne	\$98/tonne
Pre-Production Mine Capital	\$25m
Process & Infrastructure Capital	\$34.9m

- Rock Chip results along strike from an un-drilled VTEM anomaly at Hera returns 0.6% Cu, 0.3% Pb and 95g/t Ag.

DORADILLA PROJECT

Scout exploration drilling of blind magnetic anomalies by two diamond drill holes on EL 6645 intersected what is interpreted to be porphyry style alteration in intrusive rocks with associated weak copper-gold mineralisation. The drill holes intersected maximum results of 0.1g/t Au & 820ppm Cu, however the identification of porphyry style alteration and mineralisation in a favourable structural setting on the margin of the Thomson Orogen is considered strongly encouraging.

Rock chip sampling around the Doradilla Copper Mine returned results up to 0.12% Mo & 0.2% Sn.

NYMAGEE COPPER MINE - EXPLORATION

YTC-80%, earning to 90%

YTC commenced drilling beneath the historic Nymagee Copper Mine during the quarter.

The first drill hole, NMD001, was drilled to test for a high grade copper shoot, approximately 55m beneath the deepest mine level (8 Level). The drill hole recorded:

NMD001: 8.9m @ 7.2% Cu, 24g/t Ag & 0.16g/t Au from 370.5m

The high grade intersection corresponds to the 'Nymagee Lode' position, which was selectively mined in the period 1880 to 1918 to approximately 250m depth recording production of 422,000t @ 5.8% Cu (refer cross section below and attached long section).

This result was followed-up with a wedge hole, NMD001W1, approximately 30m above NMD001, to test the vertical continuity of the copper lode. Hole NMD001W1 also recorded a high grade copper interval of:

NMD001W1: 7m @ 8.3% Cu, 46g/t Ag & 0.32g/t Au from 345.4m

The high grade intersection confirms the continuity and grade of the Nymagee Lode position in this area and increases the Company's confidence of defining a significant copper resource at the Nymagee mine which has potential to be mined and treated under an expanded development scenario in conjunction with the Company's Hera Project.

YTC has now completed an initial programme of six diamond drill holes beneath the Nymagee Mine and has now commenced an expanded drilling programme. The expanded programme includes:

- Wedge holes off NMD002 & NMD004
- Drill holes targeting remanent pillar mineralisation, and
- Deeper drilling within the Nymagee system

Hole	GDA_E	GDA_N	DIP	AZI_MGA	Depth	Comments
NMD001	434994	6452187	-55	230	414.5	To Test 55m below 8 Level - sthn end
NMD001W1	434994	6452187	-55	230	375	To test 30m above NMD001
NMD002	434994	6452187	-55	242	440	65m below 8 Level - 50m nth of NMD001. Assays pending
NMD003	434973	6452246	-50	268	108.4	Hole abandoned
NMD004	434973	6452246	-50	267	454.9	120m below 6 Level - Nthn end: Assays Pending
NMD005	435010	6451983	-55	260	264	70m below 4 Level - southern end. Assays pending
NMD006	435010	6451983	-52	275	260.7	70m below 4 Level - southern end. Assays pending
NMD007	434973	6452246	-50	274.3	465.5	60m below 8 Level - Nthn end: Assays Pending
NMD002W1	434994	6452187	-55	242	399.4	Wedge above NMD002 – Assays pending
NMD004W1	434973	6452246	-50	267	406	Wedge above NMD004 – Assays pending
NMD008	434994	6452187	-65	229.3		60m below NMD001. Underway

Table 1: YTC Drilling: Nymagee Drill Collars to date

The expanded programme at Nymagee has been designed with a view to both define a maiden Resource at Nymagee but also explore Nymagee for a larger scale, "CSA style" mineral system.

The mineralisation and geological characteristics of the Nymagee mineralisation show strong affinities to the CSA Copper Mine, located approximately 90km north along strike, which is currently Australia's highest grade copper mine has a recorded production of >1.5Mt of copper.

Footwall Zones

Holes NMD001 and NND001W1 are the first holes beneath the Nymagee Copper Mine drilled from the east. The holes also identified a number of broad, lower grade 'Footwall Zones' of copper mineralisation. The Footwall Zones record intersections of:

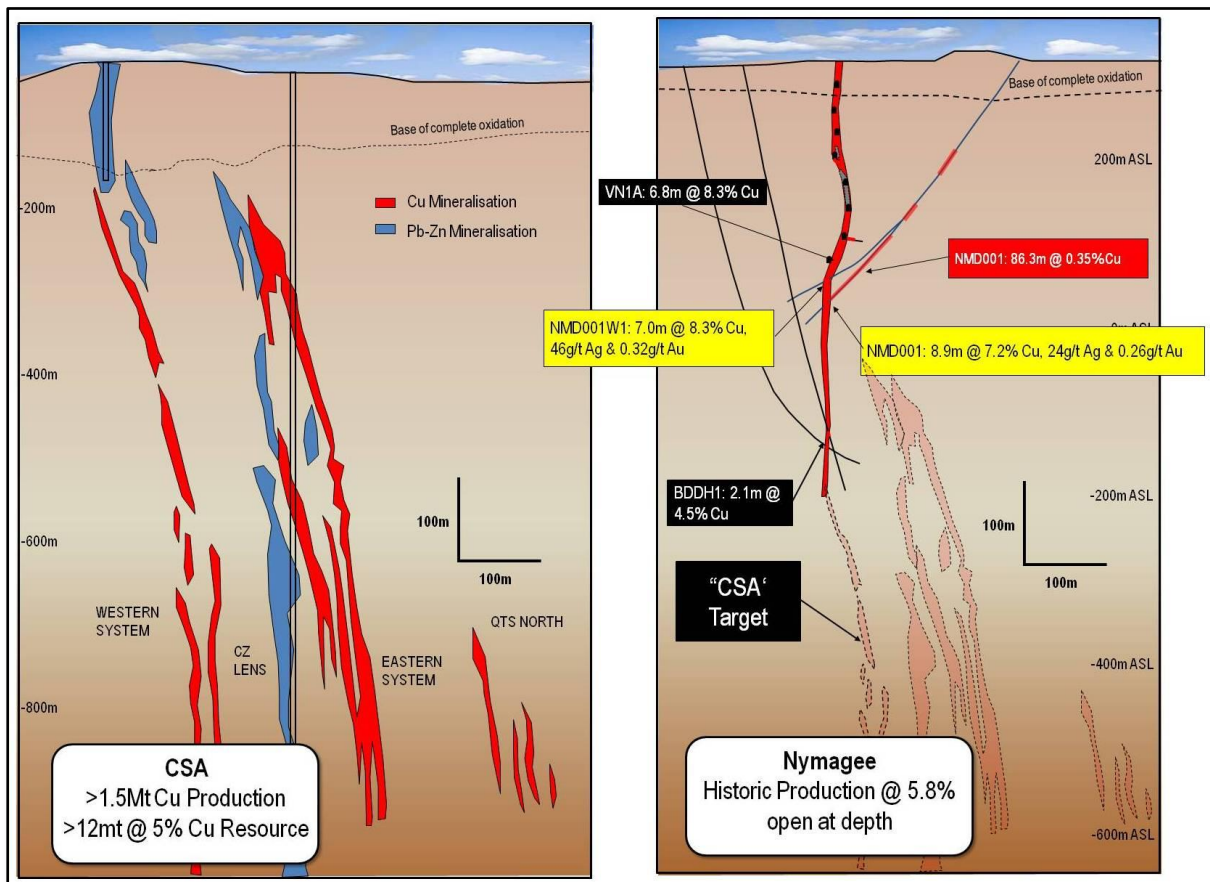
NMD001:

- 41.4m @ 0.25% Cu from 132.8m
- 24.4m @ 0.43% Cu from 234.6m
- 86.3m @ 0.35% Cu from 284.2m

NMD001W1:

- 20.5m @ 0.46% Cu from 234.5m
- 13.4m @ 0.92% Cu from 332.0m

The lower grade footwall zones are considered significant as they may represent the upper sections of 'blind' high grade copper shoots as well as the potential to evolve into a low-grade, bulk-tonnage copper target.



HERA PROJECT - EXPLORATION

YTC-100%

Exploration activities in the quarter have focused on the commencement of infill drilling on the Far West Lens and exploration drilling around the Hera Deposit seeking extensions to the Hera Resource.

Significant results, relative to the existing Hera Resource, are presented on a long section included with this report.

Hera Far West Lens

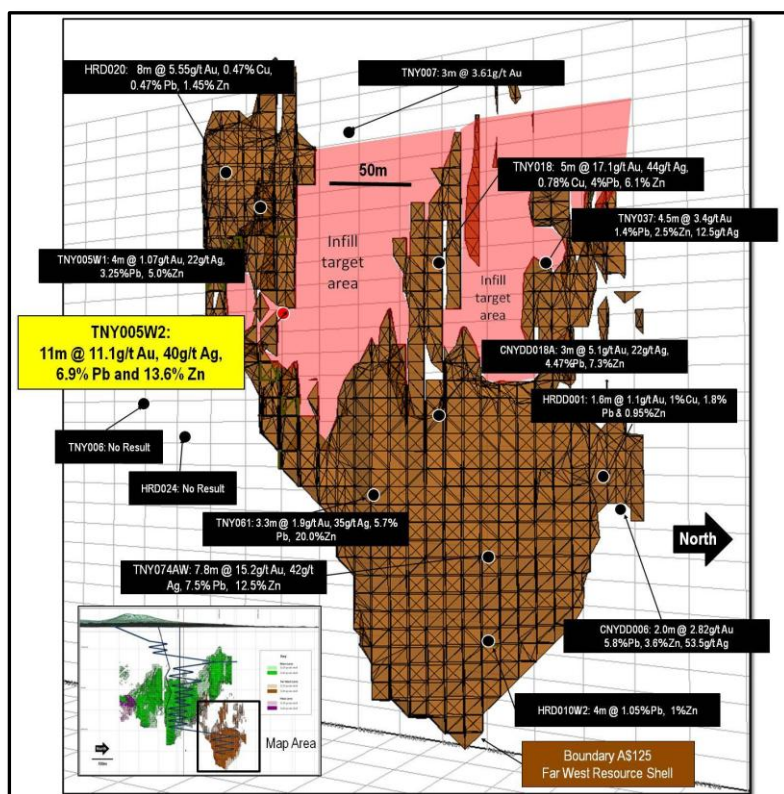
During the quarter, YTC commenced an infill drilling programme on the Hera Far West Lens, with a view to increasing the drilling density in the Lens to allow an upgrade in the Far West Resource classification from Inferred to Indicated. The first hole, TNY005W2, was drilled as a wedge off an existing drill hole.

Drill hole TNY005W2 intersected:

- **TNY005W2: 11m @ 11.1g/t Au, 40g/t Ag, 6.9% Pb and 13.6% Zn from 594m**

This high grade intersection substantially upgrades the tonnage and grade potential of this lens, and of the broader Hera deposit.

The hole was designed to test the continuity of the upper part of the Far West Lens in an area of limited drilling coverage. The intersection is approximately 60m from the nearest drill hole through the Far West Lens.



The high grade mineralisation intersected lies just outside the current Far West resource shell (*refer to long section*), and confirms the existence of good thickness, high grade gold and base metals in this upper portion of the Far West Lens.

The infill drilling programme on the Far West Lens is ongoing.

Hera Southern Extensions

Hole HRD026 was drilled approximately 120m south of the existing Hera Resource shell. The hole was drilled to test a VTEM target and for southern extensions of the Hera deposit. The hole returned:

- **HRD026: 7.7m @ 12.3g/t Au*, 0.41% Cu, 2.1% Pb & 2.8% Zn from 520.3m**

Further drilling around this zone will be required to fully delineate the potential of this southern extension, however preliminary interpretation suggest this results represents the redevelopment of high grade mineralisation offset from the Main Lens structure. Follow-up drilling will be planned with a view to include this area inside the expanded DFS programme.

The position of this drill hole relative to the existing Hera resource outline is presented on the accompanying long section.

Shallow Hera Mineralisation & Shallow Oxide Gold

As part of a programme of shallow RC drilling on the upper northern part of the Hera Deposit, hole HRRC008 identified **shallow oxide gold mineralisation** at Hera for the first time.

Hole HRRC008 recorded a broad gold intersection which is thought to represent a previously unrecognised zone of oxide gold dispersion above the northern end of the Hera deposit. The interval was reported on 3m composite samples as 45m @ 1.5g/t Au from 9m, however the final interval, after 1m sampling and gold analysis by screen fire assay, returned:

- **HRRC008: 41m @ 1.42g/t Au from 10m**

The hole was drilled to follow up previous drill results in holes HRRC001 & 2 area which had identified gold and base metal mineralisation.

- HRRC001: 5m @ 5.64g/t Au*, 1.47% Pb and 5.51% Zn from 116m, and
- HRRC002: 6m @ 2.94g/t Au*, 0.67%Pb and 1.21% Zn from 106m

With the recognition of shallow oxide gold, historic drill holes TNY044 & TNY056 were retrieved from the core yard and the oxide section was sampled to test for the extension of the oxide gold mineralisation to the south. The oxide gold zone was recognised in hole TNY056, which recorded:

- TNY056: 12m @ 0.76g/t Au from 90m

Hole TNY044 returned a single anomalous interval, from 89-90m grading 2.77g/t Au.

Follow up RC drilling on this area is currently underway as holes HRRC010 & 11.

Hole HRD027 was drilled to define this mineralisation down plunge 75m to the north. The hole intersected only weak gold-base metal mineralisation and is considered to have closed the northern plunge. Hole HRD027 intersected:

- **HRD027: 3.3m @ 1.74g/t Au, 19g/t Ag, 0.9% Pb & 1.12% Zn.**

Hera Exploration - Ongoing

The company's RC drilling programme as reported from the previous quarter, was delayed in the September quarter due to heavy winter rains.

The RC drill rig is now back on site and will be completing the planned RC drilling over the next few weeks. These targets include:

- The Dominion Prospect. The Dominion prospect is located approximately 16km south of the Hera deposit on the same prospective horizon as Hera & Nymagee. The prospect is undrilled and shows a number of features which are strongly analogous to the Hera Deposit prior to its discovery in 2001.
- The 'Hera West' VTEM anomaly. This anomaly is interpreted to represent a late-time conductor, with the potential to be due to copper rich sulphide mineralisation. No previous drilling has been completed on this target. Recent rock chip results along strike from this anomaly returned values to 0.67% Cu, 0.31% Pb & 95g/t Ag.
- The Hebe - Zues anomaly about 1.5km south of the Hera Deposit.

HERA PROJECT – DEFINITIVE FEASIBILITY STUDY

YTC-100%

DFS Expansion

Following outstanding exploration drill results from both the Nymagee Copper Mine, and from drilling outside the Hera Resource shell, YTC announced on 13th October to expand the scope of the current DFS to include an expanded Hera Resource together with the integration of high grade copper mineralisation from the Nymagee Copper Mine.

The Company believes the expanded DFS scope can be assessed without alteration to the Hera Project permitting timeline. YTC is currently preparing its final Development Application (DA) & Mining Lease Applications with the expectation of all Project approvals by June 2011.

Background:

The Hera DFS has progressed to a well advanced process flow sheet, and detailed plant, mining and infrastructure costings. All major plant and infrastructure items for the DFS cost estimates were costed by reference to quotes for new equipment, and mining costs were fully tendered.

The mining study was completed by Optiro Consultants with plant and infrastructure studies completed by GR Engineering Services (GRES). The plant and infrastructure costings have been further tendered by YTC to produce optimised costings at +/- 10% including contingency.

Summary:

The DFS recommends the Hera Deposit to be mined by single decline access and uphole bench stoping at an optimised mining rate of 350,00tonnes pa. The deposit will be mined in a top down mining sequence with selective use of Cemented Rock Fill ("CRF") to increase mining recovery in high grade zones.

Ore will be trucked to surface and processed through a 50tph capacity on-site process plant to produce gold-silver doré and a mixed Pb-Zn-Cu concentrate for sale.

The following table summarises the optimised costs and key outputs for the DFS in its current form. It is the Company's expectation to further refine and augment these outputs through the expanded DFS scope and the incorporation of Nymagee and the Far West Lens.

Summary Description	Optimised Output
Annual Production	350,000 tpa
Average Gold Equivalent Production	50,233 oz pa
Operating Cost / tonne	\$97.10
Operating Cost /oz Au Eq	\$676
Operating Margin/tonne	\$98/tonne
Pre-Production Mine Capital	\$25m
Process & Infrastructure Capital	\$34.9m

Permitting Update

The expansion of the DFS is not anticipated to change the permitting and development timeline for the Hera Project. YTC has completed the submission of the Conceptual Project Development Plan ("CPDP") and Preliminary Environmental Assessment ("PEA") documents and is currently finalising the Development Applications ("DA") and Mining Lease Applications ("MLA") with the expectation of receiving all project approvals by June 2011.

The expanded DFS work programme will include:

- **Metallurgy:** Nymagee core samples have already been submitted to Metcon Laboratories for first pass metallurgical test work. The test work will focus on amenability of the Nymagee ore to produce copper-silver concentrate utilising the existing Hera Project flow sheet.
- **Process Design:** The existing plant design and plan throughput will require re-optimisation to incorporate the expanded production case. The expanded mining case may also result in increased plant process rate.
- **Resource Definition Drilling:** The first two drill holes have demonstrated strong continuity of high grade copper mineralisation within the Nymagee Lode at good mining widths. A substantial programme of resource definition and expansion drilling will be completed with a view to establishing a maiden Nymagee resource estimate and also to scope the potential capacity of the Nymagee Mine to host a much larger copper system.
- **Mining Studies:** The Hera DFS has established good control on key mining costs for decline access and bench stoping extraction. A similar mining technique would likely be applied to the Nymagee ore system. The study would also assess the potential to utilise part of the existing main shaft infrastructure for mine ventilation or secondary egress.

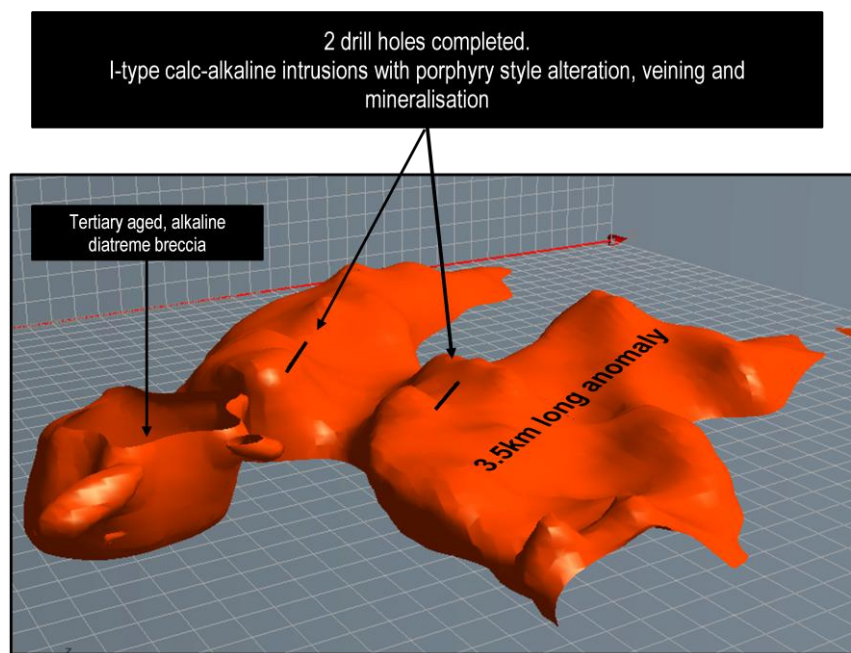
DORADILLA PROJECT

EL 6258 – YTC earning a 70% interest, EL 6645 – YTC earning a 75% interest

The Doradilla Project tenements are located along a major crustal boundary between the Lachlan and Thompson Orogens in the north west of NSW. The tenements host a broad range of mineralisation including tin, copper, nickel, zinc, indium, bismuth, silver, tungsten and molybdenum. EL 6258 hosts a significant 'laterite' tin resource of 7.8Mt @ 0.28% Sn for a contained 22,000t of tin.

During the quarter, YTC completed two diamond core drill holes to test 'blind' magnetic targets (the 'Mullgallah' anomaly) beneath approximately 50m of transported overburden on EL6645. Both holes located quartz diorite intrusive hosting chlorite + quartz + sulphide veining with weak copper mineralisation consistent with 'porphyry style' mineralisation.

Although pyrite and chalcopyrite veining was observed, assay values were weak with best copper and gold values of 0.10ppm Au & 820ppm Cu. Significantly the alteration and veining is seen to destroy magnetism and indicates that exploration of demagnetised areas is warranted to locate better grades.



Magnetic Susceptibility IsoSurface - Mullagallah

The age of the diorite has been determined by laser ablation U-Pb dating of zircon at the University of Tasmania. An age of 414.9 ± 4.2 Ma was returned. This is a similar age to other mineralised granites in NSW such as the Yeovil Granite.

An RC drilling campaign, reported as imminent in the previous quarterly, was delayed due to heavy rains in the September quarter. The programme will now be completed in the current quarter. The drill programme is targeting along strike from bonanza silver-bismuth mineralization intersected in 2008 drill hole:

- DCMD002: 1.5m @ 683ppm silver & 1.2% bismuth from 126.65m

A total of 24 rock chip samples were taken across the central part of EL6258 in a 1km radius around the Doradilla Copper Mine. Numerous anomalous values were returned including values up to 0.11% Mo, 0.73% Pb and 0.2% Sn.

KADUNGLE PROJECT

YTC – 100%

The Kadungle Project is located approximate 40km north-west of Parkes in central NSW and is prospective for epithermal gold and porphyry related copper-gold mineralisation. Previous drill intercepts recorded at the Mt Leadley prospect include:

- KDD013: 131m @ 0.31g/t Au & 0.11% Cu, and
- KDD001: 96m @ 0.63g/t Au

During the quarter, YTC completed a detailed ground gravity survey over the Mt Leadley Prospect area. The results are being processed and interpreted in combination with previous ground magnetic and IP surveys with a view to defining further drilling targets

CORPORATE

Cash Position

At 30 September 2010, the Company held cash reserves of approximately A\$5.9million.

** All drill holes marked with an asterisk in this report are reporting gold results generated using the screen fire assay method. Screen fire assay is considered a more definitive estimation of gold grade in coarse gold mineralisation. High grade results not marked with an asterisk are 30g fire assay results and will be re-assayed by screen fire assay.*

Competent Persons Statement

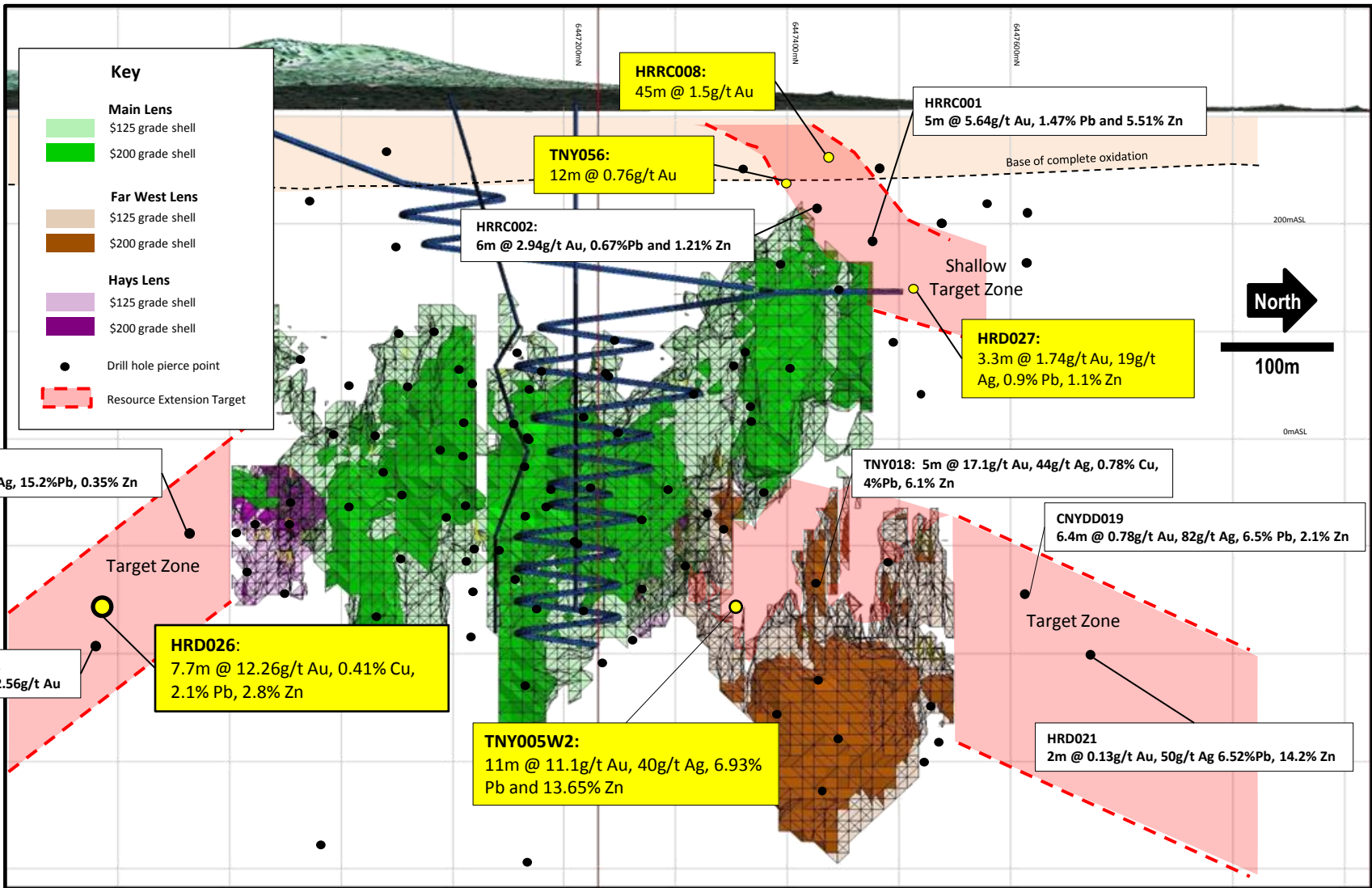
The information in this report that relates to Exploration Results is based on information compiled by Rimas Kairaitis, who is a Member of the Australasian Institute of Mining and Metallurgy. Rimas Kairaitis has sufficient experience which is relevant to the style of mineralisation and type of deposit 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.' Mr Kairaitis consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Competent Persons Statement – Hera Resource Estimation

This Report contains references to a Resource Estimation for the Hera deposit. The Resource Estimation has been completed by Mr Dean Fredericksen of Fredericksen Geological Solutions Pty Ltd under supervision of Mr Rimas Kairaitis. This report has been compiled by Rimas Kairaitis, who is a Member of the Australasian Institute of Mining and Metallurgy. Rimas Kairaitis has sufficient experience which is relevant to the style of mineralisation and type of deposit 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.' Mr Kairaitis consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Competent Persons Statement – 3KEL-Midway Resource Estimation

The resource estimates of oxide material at 3KEL and Midway have been performed by Dr William Yeo, MAusIMM, who is an employee of Hellman & Schofield Pty Ltd and who qualifies as a Competent Person under the meaning of the 2004 JORC Code. He consents to the inclusion of these estimates, and the attached notes, in the form and context in which they appear.



● Drill holes with results received in the September quarter

Hera Gold Deposit
Exploration Target Zones – Long Section looking west
View showing existing Resource outlines + indicative decline development

Grid: GDA – Zone 55 - Scale as Shown

