

## DECEMBER 2010 QUARTER HIGHLIGHTS

### NYMAGEE COPPER MINE

Numerous high grade copper intervals extend mineralisation below the Nymagee Copper Mine:

<b>NMD001W1:</b>	<b>7.0m @ 8.3% Cu, 46g/t Ag &amp; 0.32g/t Au from 345.4m</b>
<b>NMD002:</b>	<b>11m @ 3.7% Cu and 15.7g/t Ag from 401m, including 5m @ 6.1% Cu and 27g/t Ag from 401m</b>
<b>NMD002W1:</b>	<b>15m @ 1.6% Cu and 7.2g/t Ag from 346m, including 6m @ 2.7% Cu and 9.2g/t Ag from 355m</b>
<b>NMD004W1:</b>	<b>5.5m @ 2.7% Cu and 21.2g/t Ag from 392m</b>
<b>NMD007:</b>	<b>26m @ 2.1% Cu and 7g/t Ag from 361m, including 10m @ 3.0% Cu and 10g/t Ag from 375m</b>
<b>NMD008:</b>	<b>9.0m @ 3.1% Cu and 19g/t Ag from 436m</b>
<b>NMD008W1:</b>	<b>20m @ 3.9% Cu, 22g/t Ag and 0.20g/t Au from 452m, including 14m @ 5.1% Cu, 22g/t Ag and 0.27g/t Au from 458m, including 6m @ 7.8% Cu, 41g/t Ag and 0.6g/t Au from 465m</b>

### HERA GOLD PROJECT

- Resource extension and resource-infill programme at the Hera Far West Lens continuing
- RC drilling programme completed at Hera, testing the upper sections of the Hera deposit, Hera site sterilisation as well as regional exploration targets including the Hebe-Zeus and Dominion prospects. Results from the RC programmes are due in February 2011
- Screen fire assay of hole HRD026 (120m south of Hera deposit) returned:

**HRD026: 7.7m @ 5.69g/t Au, 0.41% Cu, 2.1% Pb & 2.8% Zn from 520.3m**

### CORPORATE

- Successful capital raising of \$10m to fund the expanded drilling and DFS programme at Hera and Nymagee Projects
- Agreement to sell YTC's New England Tin projects to Taronga Mines Ltd (TML), which is seeking an ASX IPO. TML own 100% interest in the Taronga Tin Deposit, the largest undeveloped tin deposit on mainland Australia
- YTC increased its interest in the Nymagee Joint Venture to 90%
- Cash of \$10m at end of quarter, with receivables of \$2.1m

### TALLEBUNG PROJECT

- Rock chip sampling of the Marrobee tungsten field returned values up to 3.9% tungsten and 3.7g/t gold
- Resistivity survey identifies large scale exploration target beneath the Tallebung tin field

## NYMAGEE COPPER MINE - EXPLORATION

YTC-90%

Activities at Nymagee during the quarter were dominated by drilling activity, with a view to scoping the Nymagee mineralisation and moving towards a maiden Resource Estimate. Drilling samples have also been collected for metallurgy.

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 and has a recorded production of >1.5Mt of copper. Results during the quarter continued to return strong copper intersections from the Nymagee Main Lode. A summary of drilling results received during the quarter are presented below.

Hole NMD001W1 was drilled as a wedge to test the Nymagee Lode 30m above hole NMD001 (8.9m @ 7.2% Cu, 24g/t Ag and 0.16g/t Au) and intersected strong copper mineralisation as massive and semi massive sulphides.

**NMD001W1: 7.0m @ 8.3% Cu, 46g/t Ag & 0.32g/t Au from 345.4m**

Holes NMD002 and NMD002W1 were drilled as a parent and wedge hole approximately 40m and 60m north of the high grade copper results recorded in drill holes NMD001 and NMD001W1.

NMD002 and NMD002W1 recorded results of:

**NMD002: 11m @ 3.7% Cu and 15.7g/t Ag from 401m, including  
5m @ 6.1% Cu and 27g/t Ag from 401m**

**NMD002W1: 15m @ 1.6% Cu and 7.2g/t Ag from 346m, including  
6m @ 2.7% Cu and 9.2g/t Ag from 355m**

Holes NMD004 and NMD004W1 were drilled as a parent and wedge hole approximately 80m north of the deepest mine levels in the historic mine (8 Level) to test the northern extremities of the Nymagee Main Lode. Hole NMD004W1 intersected massive and semi massive sulphide mineralisation and returned results of:

**NMD004W1: 5.5m @ 2.7% Cu and 21.2 g/t Ag from 392m**

The parent hole, NMD004 intersected lead-zinc mineralisation, which appears to form a halo around the high grade copper mineralisation:

**NMD004: 2.0m @ 0.3% Cu, 1.7% Pb and 6.6% Zn Ag from 426m**

Holes NMD005 and NMD006, drilled to test for the southern extremities of the Nymagee Main Lode, south of historic mine workings, did not return any significant results.

Hole NMD007 was drilled to intersect the Main Lode approximately 50m beneath the 8 level and 20m to the north of the position of the historic Nymagee main shaft.

**NMD007: 26m @ 2.1% Cu and 7g/t Ag from 361m, including  
10m @ 3.0% Cu and 10g/t Ag from 375m**

Holes NMD008 and NMD008W1 were drilled as a parent and wedge hole to test for the depth extensions of the Nymagee Copper Mine mineralisation. The holes returned results of:

**NMD008: 9.0m @ 3.1% Cu and 19g/t Ag from 436m**

**NMD008W1: 20m @ 3.9% Cu, 22g/t Ag and 0.20g/t Au from 452m, including  
14m @ 5.1% Cu, 22g/t Ag and 0.27g/t Au from 458m, including**

### 6m @ 7.8% Cu, 41g/t Ag and 0.6g/t Au from 465m

Hole NMD008W1 is the deepest hole drilled by YTC to date and represents the **largest contained metal intersection obtained to date**. The Company has now demonstrated vertical continuity to approximately 165m below the historic Nymagee Copper Mine. The deepest drilling in the Nymagee Copper Mine mineralisation by previous explorers indicates the high-grade copper mineralisation remains open at depth.

The vertical persistence of high grade copper lodes is a key characteristic of 'Cobar Style' deposits in general and of the world-class CSA copper deposit in particular.

### Footwall Zones

Drilling at Nymagee also intersected substantial intervals of low-grade, 'footwall zone' mineralisation on the eastern side of the Nymagee mineralisation. Significant intervals from the footwall zone received during the quarter include:

<b>NMD002:</b>	<b>19m @ 0.38% Cu from 105m</b> <b>10.2m @ 0.86% Cu from 155m</b> <b>4m @ 1.9% Cu from 315m</b> <b>20m @ 0.32% Cu from 381m</b>
<b>NMD004:</b>	<b>252m @ 0.25% Cu from 176m</b>
<b>NMD007:</b>	<b>57.2m @ 0.34% Cu from 299.8m</b>
<b>NMD008W1:</b>	<b>19m @ 1.0% Cu from 361m, including</b> <b>3m @ 3.5% Cu from 368m, and</b> <b>50m @ 0.32% Cu from 402m</b>

The 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.

The footwall intersection of **3m @ 3.5% Cu** in hole NMD008W1 correlates well with >1% Cu intervals in holes NMD008 and NMD002. This interval suggests the development of the upper sections of a 'blind' footwall copper pipe. This will require testing by deeper drilling, however the continuity of the zone, together with the increasing grade at depth are strongly encouraging. Once again, the development of blind pipes is consistent with the analogy to the CSA copper deposit.

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.

Drilling results are presented in the long section and cross section accompanying this report.

The table below summarises the drill hole information for all drill holes completed at the Nymagee Copper Mine to the end of the December quarter.

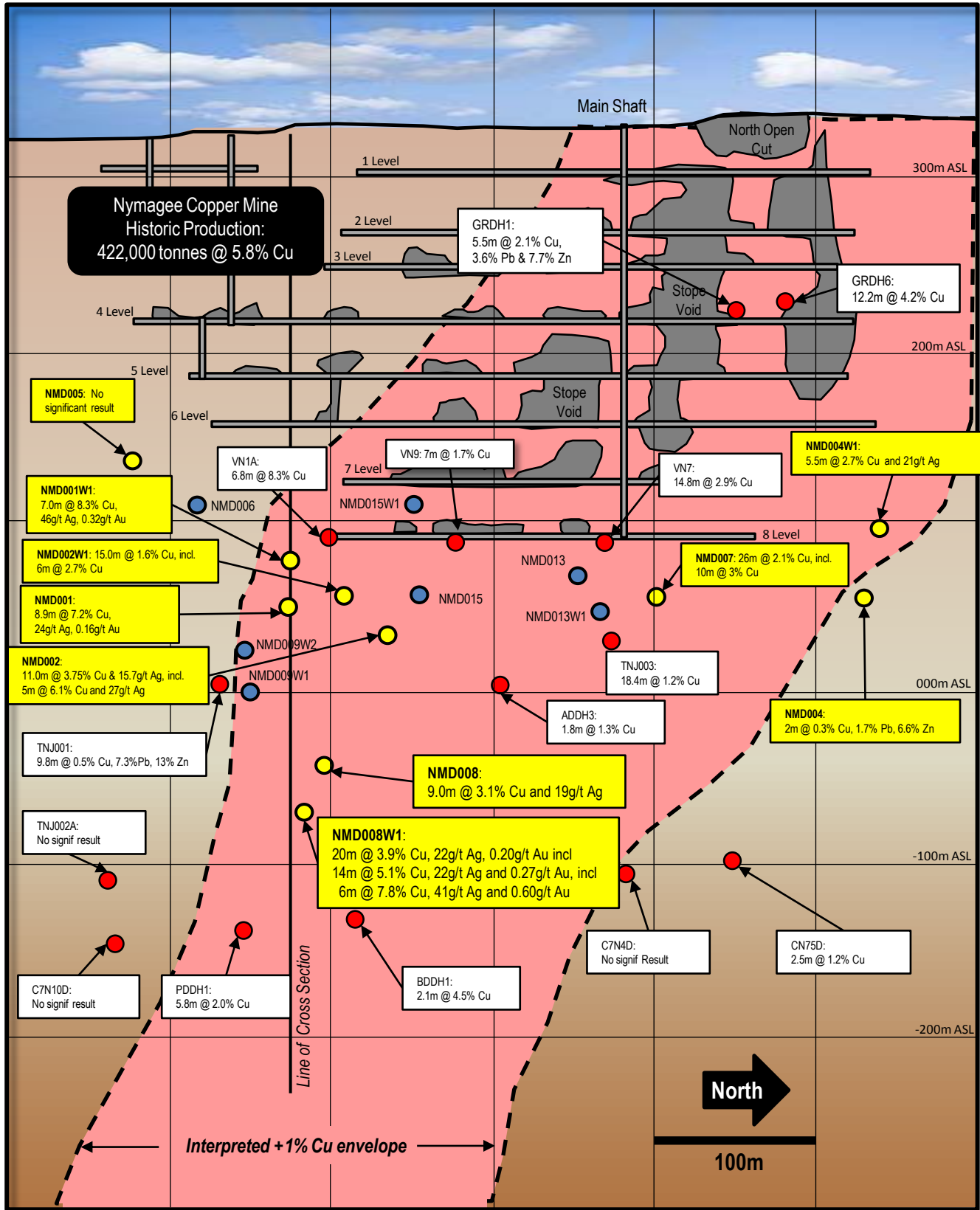
Hole	GDA_E	GDA_N	DIP	AZI_MGA	Depth	Comments
NMD001	434994	6452187	-55	230	414.5	To Test 55m below 8 Level - sthn end
NMD001W1	434994	6452187	-55	230	375	To test 30m above NMD001
NMD002	434994	6452187	-55	242	440	65m below 8 Level - 50m nth of NMD001
NMD003	434973	6452246	-50	268	108.4	Hole abandoned
NMD004	434973	6452246	-50	267	454.9	120m below 6 Level - Nthn end
NMD005	435010	6451983	-55	260	264	70m below 4 Level - southern end
NMD006	435010	6451983	-52	275	260.7	70m below 4 Level - southern end
NMD007	434973	6452246	-50	274.3	465.5	50m below 8 Level - Nthn end
NMD002W1	434994	6452187	-55	242	399.4	Wedge above NMD002
NMD004W1	434973	6452246	-50	267	406	Wedge above NMD004
NMD008	434994	6452187	-65	229.3	468.8	140m below 8 level – southern end
NMD008W1	434997	6452187	-65	229.3	491.4	165m below 8 level – southern end
NMD009W1	434994	6452187	-60	223.3	447.7	90m below 8 level – testing for southern extent
NMD009W2	434994	6452187	-60	223.3	432.5	70m below 8 level – testing for southern extent
NMD013	434973	6452246	-53	262	392	20m below 8 level – central area
NMD013W1	434973	6452246	-53	262	419.5	50m below 8 level – central area
NMD014	434973	6452246	-57	250.3	447.9	90m below 8 level – central area
NMD0015	434994	6452187	-55	252.5	412.2	To test approx 30m below 8 level
NMD015W1	434994	6452187	-55	252.5	320	To test mine pillar between 7 and 8 level
NMD015W2	434994	6452187	-55	252.5	390.6	To test mine pillar between 7 and 8 level

**Table 1: YTC Drilling: Nymagee Drill Collars to end of December quarter**

Results for holes NMD9W1/W2, NMD013/13W1, NMD014, NMD015/15W1/15W2 were all pending at end of quarter.

### YTC moves to 90% of Nymagee JV

On the 22<sup>nd</sup> November 2010, YTC advised that it satisfied the expenditure requirements to increase its participating interest in the Nymagee JV to 90%.

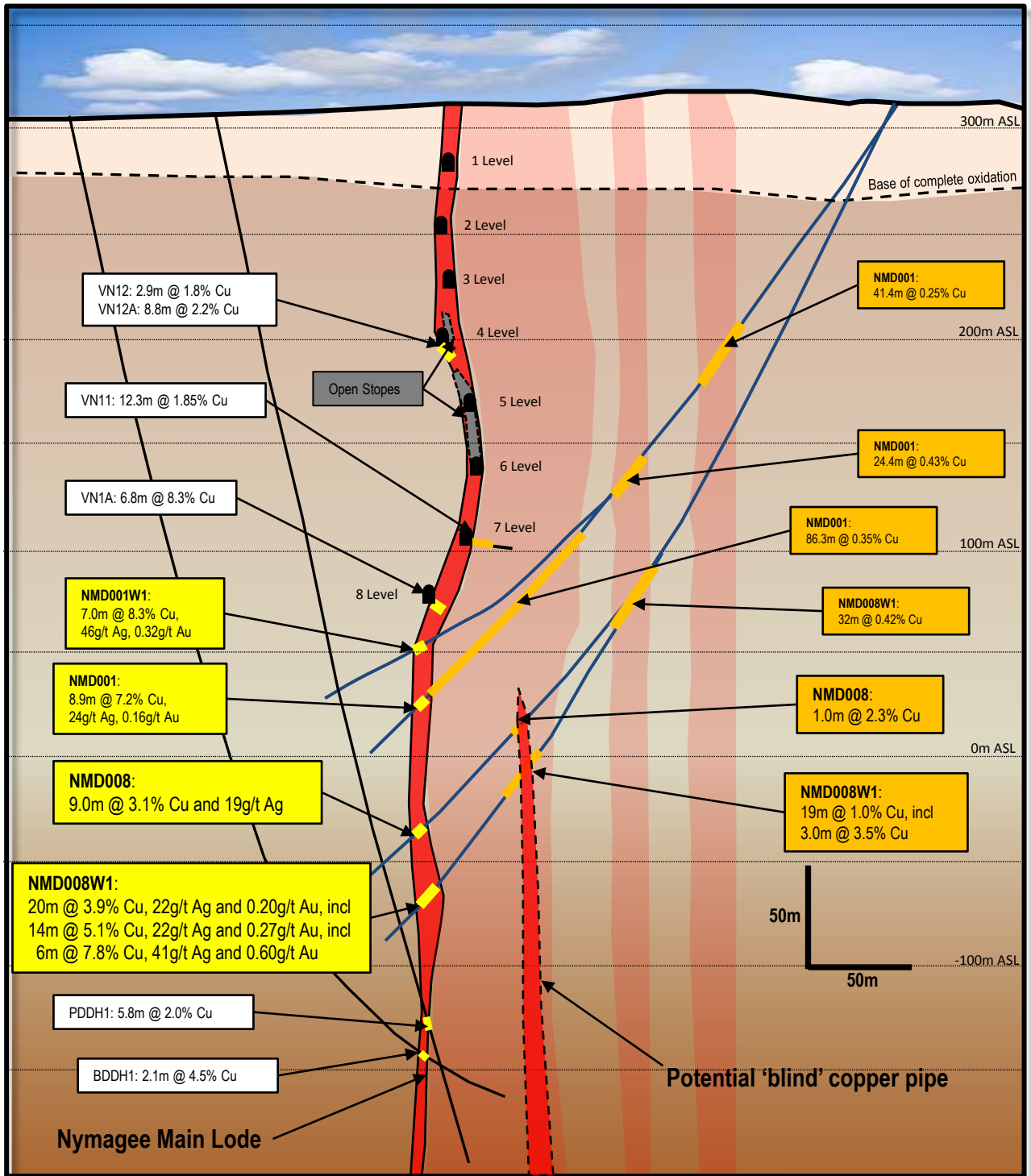


**Nymagee Copper Mine  
Long Section – Main Lode  
looking west**

Grid: Local - Scale as Shown

- Previous Drill Holes – with results
- YTC Drill Holes – Current Programme - with results
- YTC Drill Holes – Current Programme - Assays Pending





Previous Drill Holes – with results

YTC Drill Holes – Main Lode- with results

YTC Drill Holes – Footwall Lodes – with results



LOCATION PLAN

## Nymagee Copper Mine Cross Section looking North

Grid: Local-Scale as Shown



## HERA GOLD PROJECT

YTC-100%

Drilling activity for the quarter has been focused on the resource extension and resource-infill programme at the Hera Far West Lens as well as a significant shallow RC drilling programme testing the upper sections of the Hera deposit, Hera site sterilisation as well regional exploration targets including the Hebe-Zeus and Dominion prospects. Results from these programmes are due in January-February 2011.

### Hera Far West Lens

During the quarter, YTC completed a number of diamond core holes as part of the resource extension and infill drilling on the Far West Lens. The most recent Hera Resource Estimate includes the Far West Lens as Inferred Resource. The drilling programme is designed to both extend the contained tonnage of the Far West Resource as well as lift a substantial percentage of the Far West Lens into the Indicated category to allow for its inclusion in a mining Reserve.

The following holes were completed into the Far West Lens during the quarter, with results due in January 2011.

Hole	GDA_E	GDA_N	DIP	AZI_MGA	Depth	Comments
HRD030	435999	6447306	-63	74	596.8	Far West Lens – Resource extension
HRD032	436000	6447306	-68	73.3	557.8	Far West Lens – Resource extension
HRD032W1	436000	6447306	-68	73.3	638.8	Far West Lens – Resource infill

Pierce points for these holes, together with the remaining planned drilling for the programme is shown on a Far West Lens long section with this report.

### Hera Southern Extensions

As reported in the previous quarter, exploration drilling at the Hera deposit discovered high grade gold and base metal mineralisation in hole HRD026, approximately 120m south of the existing Hera deposit. Following screen fire assay, the interval returned:

**HRD026: 7.7m @ 5.69g/t Au, 0.41% Cu, 2.1% Pb & 2.8% Zn from 520.3m**

Further exploration drilling around hole HRD026 is planned in the upcoming quarter.

### Shallow Hera Mineralisation

Two RC drill holes were completed in the central, shallow zones of the Hera Resource to follow up from strong oxide and sulphide mineralisation intersected in shallow drilling reported in the previous two quarters.

Hole	GDA_E	GDA_N	DIP	AZI_MGA	Depth	Comments
HRRC010	436232	6447346	-65	66.3	210	Shallow Hera Mineralisation
HRRC011	436212	6447320	-65	70.3	198	Shallow Hera Mineralisation

Strong base metal mineralisation was observed in hole HRRC011 and weak base metal mineralisation observed in HRRC010. Final results from this programme are expected in February 2011.

A long section showing an outline of the existing Hera Resource together with pierce points for recent YTC drill holes is included with this report.

### RC Drilling – Dominion Prospect

The Dominion prospect is located approximately 16km south of the Hera deposit on the same prospective horizon as Hera & Nymagee.

Four RC drill holes were completed targeting anomalous Pb-Zn in soils and rock sampling with a co-incident IP anomaly. These holes represent the first holes at the Dominion prospect.

Hole	GDA_E	GDA_N	DIP	AZI_MGA	Depth	Comments
DRC001	434625	6436295	-60	90.3	180	RC hole testing coincident Pb-Zn anomaly
DRC002	434600	6436240	-60	90.3	180	RC hole testing coincident Pb-Zn anomaly
DRC003	434605	6436155	-60	95.3	198	RC hole testing coincident Pb-Zn anomaly
DRC004	434590	6436070	-60	90.3	108	RC hole testing coincident Pb-Zn anomaly

Results for this drilling are due in February 2011, with only weak mineralisation observed in the logging.

### RC Drilling – ‘Hera West’ VTEM target

A single RC drill hole, HRRC009, was completed to test a strong conductor, approximately 400m west of the Hera deposit, detected from the recent VTEM geophysics survey.

Hole	GDA_E	GDA_N	DIP	AZI_MGA	Depth	Comments
HRRC009	435856	6446929	-70	13.3	258	‘Hera West’ VTEM target

Results for this drilling are due in February 2011, with no significant mineralisation observed in the logging.

### RC Drilling – Hebe-Zeus

Two RC drill holes were completed to test for mineralisation where the Hebe mineralised trend meets the Zeus gravity response.

Hole	GDA_E	GDA_N	DIP	AZI_MGA	Depth	Comments
HBRC006	437882	6445792	-60	70.3	198	RC hole testing Pb-Z-gravity anomalism
HBRC007	437983	6445701	-60	70.3	198	RC hole testing Pb-Z-gravity anomalism

HBRC006 recorded weak base metal mineralisation in the lower section of the hole. Both holes recorded moderate zones of silicification with quartz veining. Results due in February 2011.

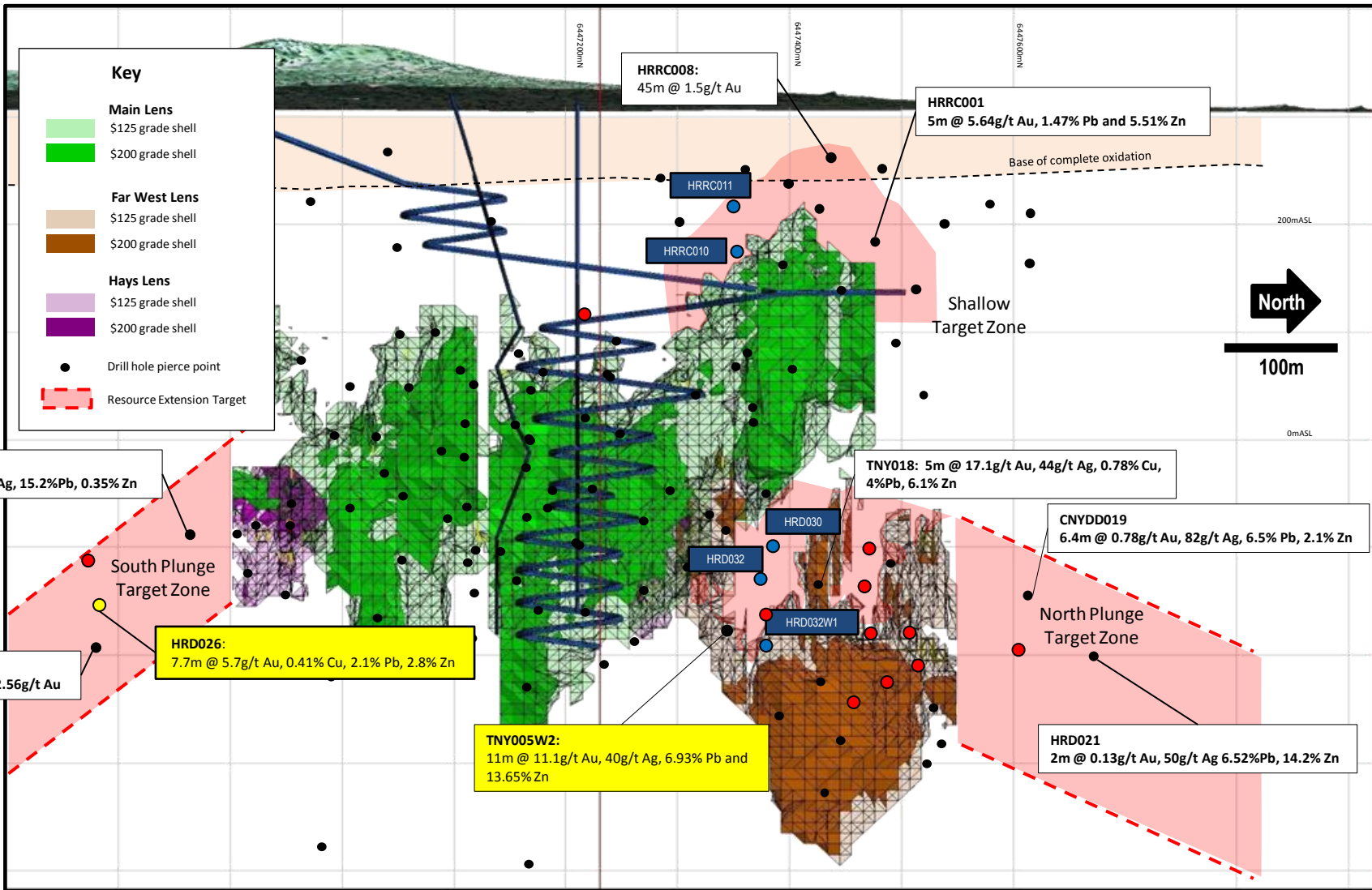
### Sterilisation drilling

Four drill holes were completed in the quarter as part of a final sterilisation programme for the proposed plant site at Hera.

Hole	GDA_E	GDA_N	DIP	AZI_MGA	Depth	Comments
STRC018	437027	6446796	-65	75.3	240	RC Sterilisation hole – Hera Plant Site
STRC019	436910	6446778	-65	76	216	RC Sterilisation hole – Hera Plant Site
STRC020	437155	6446686	-65	255.3	252	RC Sterilisation hole – Hera Plant Site
HRD031	436800	6446950	-62	65.3	498	DD Sterilisation hole – Hera Plant Site

Results for the sterilisation holes are due in February 2011, however no significant mineralisation was observed in the logging.





- Drill holes with recent results
- Planned Holes
- Completed Holes – Assays Awaited

**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



## TALLEBUNG PROJECT

YTC – 100%

YTC considers the Tallebung Project has potential to host a large tonnage, low grade tin deposit ('tin porphyry') with associated, tungsten silver and zinc. Significant drill intervals from previous exploration include:

- DDH16: 50.4m @ 0.14% Sn
- DDH17: 49.5m @ 0.14% Sn
- DDH10: 7.47m @ 1.15%Sn
- DDH7: 20.2m @ 0.27% Sn
- TD004: 17.7m @ 0.21% Sn
- DDH11: 30.2m @ 0.12% Sn, and  
12.8m @ 0.27% Sn

The exploration model for Tallebung is to target zones of mineralisation in closer proximity to the mineralising granite at depth, where tin grades and quartz vein frequency is interpreted to be more intense.

### Resistivity Survey – Tallebung tin field

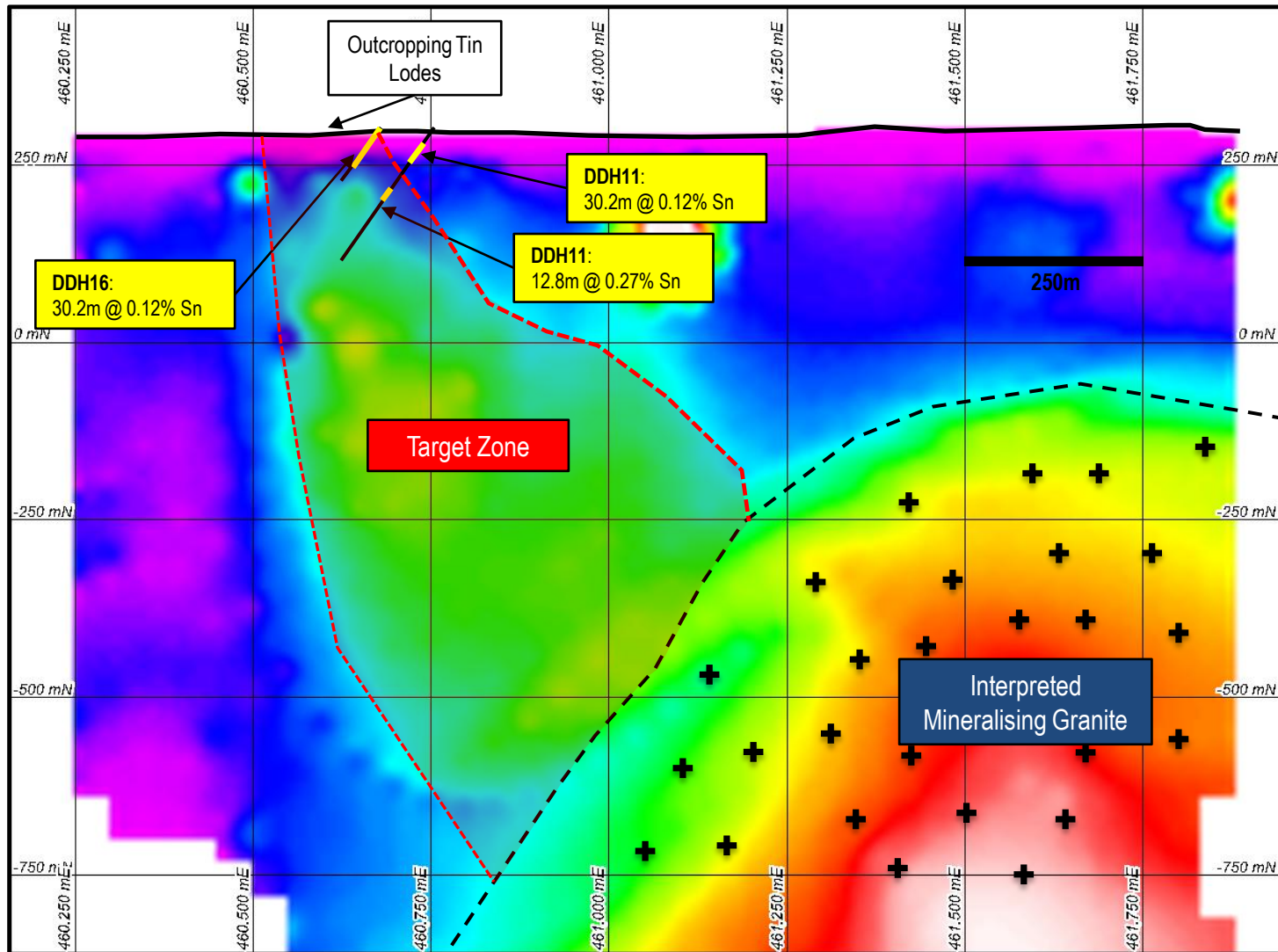
Two resistivity sections were surveyed across the hard rock tin mineralisation at Tallebung using EH4 geophysical equipment supplied by the Yunnan Tin Group. The surveys were designed to test for the mineralising granite at depth beneath the tin-bearing quartz lodes at surface.

Each resistivity section detected a very prominent resistive body to the east of the tin bearing lodes at approximately 350m depth. The resistive body is interpreted to represent the mineralising granite body at Tallebung.

The position of the interpreted granite is consistent with the east-dipping lode system at surface. The 'carapace zone' immediately above the resistive zone is considered a strong drill target for large tonnage tin mineralisation at higher grades than the tin mineralisation at surface. Drill holes have been planned and are expected to be completed in the next 6 months once rigs become available from the nearby Hera and Nymagee Projects.

### Rock Chip Sampling – Marobee tungsten field

YTC completed a reconnaissance programme of rock chip sampling over the historic Marobee tungsten field, located approximately 25km north of the Tallebung tin field. Thirty-five (35) samples were taken with a number of samples returning very strong results for tungsten (up to 3.9% W), gold (up to 3.7g/t Au) and tin (up to 0.8% Sn).



**Tallebung Tin Project**  
**Resistivity Section – 6376550mN**  
*Showing existing drilling and interpreted geology = target zone*

Grid: GDA – Zone 55 - Scale as Shown

## CORPORATE

### Sale of New England Tin Projects to Taronga Mines

On the 19<sup>th</sup> October, YTC announced it had reached agreement to sell its New England Tin Projects to Taronga Mines Limited (TML), a tin company which will shortly be seeking an ASX listing.

The all-script deal sees the beneficial combination of TML's Taronga Deposit, currently the largest undeveloped tin deposit on mainland Australia, with YTC's adjoining tenement holding. YTC's tenement holding contains a number of strong exploration targets for Taronga style tin mineralisation.

The agreement will see YTC issued with 11 million TML shares and 5.5 million options to acquire shares in TML, representing 25% of the issued shares and 50% of the issued options in TML prior to Taronga's IPO capital raising.

Through this deal YTC shareholders will gain stronger exposure to a major undeveloped tin deposit and the adjoining exploration upside. YTC Shareholders will also be given a priority entitlement to subscribe for up to a total of \$2 million in the proposed TML IPO and YTC will also have the right to nominate one director to the TML board.

YTC's New England tin assets include the Torrington project tenements and the Pound Flat Project.

The Torrington project is an extensive tenement area that covers much of the historically important Torrington and Stannum tin fields which have recorded historic production of in excess of 100,000 tons of tin concentrate.

Detailed exploration work by the Electrolytic Zinc Company (EZCO) in the 1980's identified a number of tin bearing 'sheeted' greisen vein zones within the YTC tenement area, which were considered to be highly prospective for further 'Taronga' style tin deposits. These target zones included McDonalds Zone, Emerald Zone, Big Plant Creek Zone & Poverty Point.

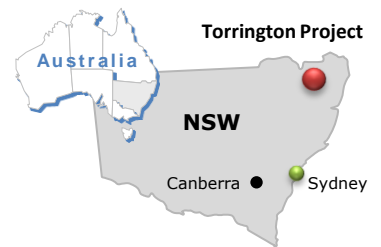
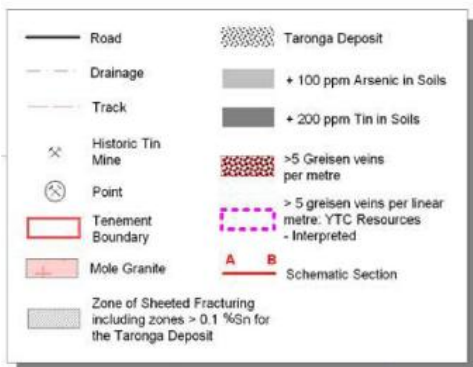
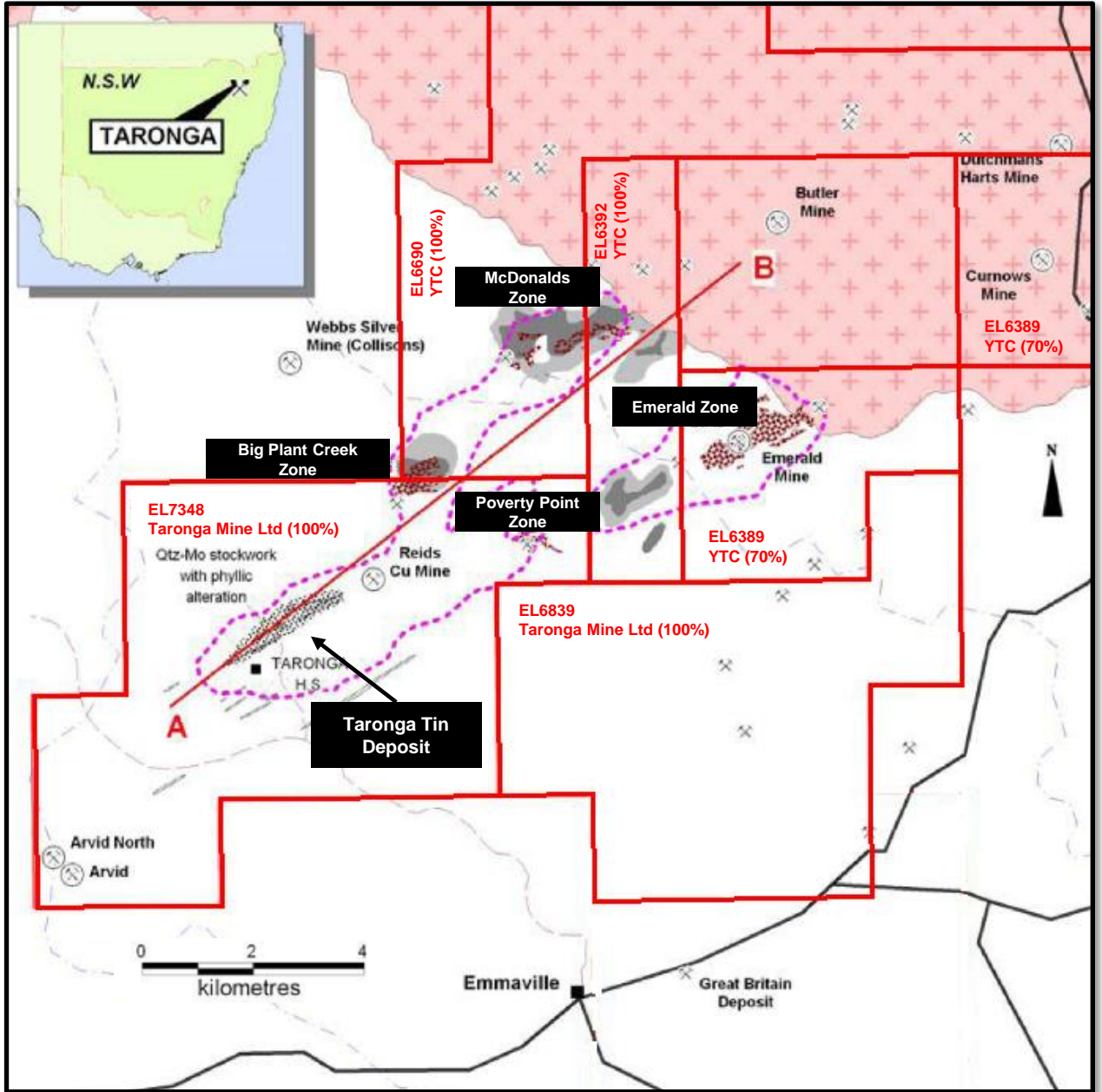
The combination of the Torrington project with the adjacent Taronga deposit combines an established large tin deposit with exciting exploration upside.

### Capital Raising - Placement

On 26<sup>th</sup> October, YTC announced a successful capital raising of \$10m to fund an expanded drilling and DFS programme at the Nymagee Copper Mine and the Hera Gold Project.

The capital raising was by placement of 40 million shares at \$0.25. The placement was strongly oversubscribed and supported by the Company's major shareholders together with international and domestic institutions.

The placement was structured in two tranches, with tranche 2 of the placement approved by shareholders at a General Meeting held on Monday 29<sup>th</sup> November 2010.



**Torrington Project  
Combined Tenement Position  
Taronga Mines + YTC**  
Scale as Shown

Tenement Outline

## Cash Position

At 31 December 2010, the Company held cash reserves of approximately A\$10 million, with a further \$2.1m in receivables being those monies to the placement subject to FIRB approval.

### **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.*