

MARCH 2012 QUARTER HIGHLIGHTS

STAGE 1 OF HERA PROJECT EARTHWORKS NEARLY COMPLETE

Stage 1 of the Hera earthworks is substantially complete. Works completed under Stage 1 include:

- Completion of main site access road
- Clearing of ROM pad and contractors laydown area
- Completion of magazine and access road
- Excavation of decline boxcut

The Stage 1 earthworks are expected to complete in the next week, on time and on budget.

STRONG RESULTS FROM HERA RESERVE EXTENSION DRILLING

Drilling designed to extend the existing Hera Reserve in the initial Hera production stopes returned high grade lead-zinc-silver results including:

HRD038: 10m @ 5.4% Pb, 10.0% Zn, 0.13g/t Au and 30g/t Ag

HRD038W1: 18m @ 7.2% Pb, 4.4% Zn, 0.32g/t Au and 48g/t Ag

TNY047AW1: 15m @ 3.3% Pb, 7.0% Zn, 0.5g/t Au and 23g/t Ag

STRONG RESULTS FROM NYMAGEE NORTH

Two conductor plate targets were generated from a geophysical programme of ground based Fixed Loop EM (FLEM) survey and downhole hole EM (DHEM) survey at the Nymagee copper deposit. These targets were sequentially tested by diamond drilling during the March quarter.

Results from drilling **Conductor Plate 1**, located beneath the northern footwall zone of the existing Nymagee Resource envelope recorded the following intersections:

**NMD060: 8m @ 2.0% Cu from 301m, and
10m @ 2.0% Cu from 357m**

Hole NMD068, drilled to test **Conductor Plate 2**, located approximately 500m north of the Nymagee deposit intersected high grade lead-zinc-silver mineralisation recording:

NMD068: 14m @ 63g/t Ag, 0.2% Cu, 2.7% Pb and 5.2% Zn from 207m

YTC interprets this result to represent the upper, lead-zinc rich zone above a potential new copper rich mineral system. Follow up downhole EM (DHEM) surveys are now being run.

LARGE GOLD SYSTEM CONFIRMED AT KADUNGLE

RC drilling at the Kadungle Prospect returned broad intervals of low grade gold-copper mineralisation, with **high gold grade mineralisation** preferentially developed on the margin of a diatreme breccia:

**KRRC019: 154m @ 0.37g/t Au and 0.12% Cu from 0m, includes
3m @ 7.08g/t Au and 0.31% Cu from 115m (breccia margin)**

The higher grade gold interval in KRRC019 (**3m @ 7.08g/t Au**) is associated with the eastern breccia margin 50m south along strike from high grade gold intersected in the same structural position in previous drilling (KDD002: **12m @ 7.73g/t Au**).

CORPORATE

- Cash of \$16.8 million at end of quarter
- Hera debt funding, and off-take discussions well advanced

INTRODUCTION: HERA-NYMAGEE PROJECT

The Hera-Nymagee Project consists of the Hera gold-base metal deposit (YTC 100%) and the Nymagee copper deposit (YTC 95%), and is located approximately 100km south-east of Cobar, hosted in the Cobar Basin rocks of central NSW. The Cobar Basin rocks also host the major mineral deposits at CSA (Cu-Ag), The Peak (Cu-Au) and Endeavor (Cu-Pb-Zn-Ag).

YTC has commenced development activities at the Hera Gold Project following the completion of the Hera Definitive Feasibility Study ("DFS") confirming the technical and financial viability of the development of the Hera deposit as a shallow underground mine and processing plant producing gold and silver doré bars and a bulk lead-zinc concentrate for sale.

The Company is at the same time evaluating the Nymagee copper deposit, located 4.5km to the north, with a view to demonstrating an integrated development of the Hera and Nymagee deposits. The Company considers both deposits have the potential to evolve into very large "Cobar style" mineral systems

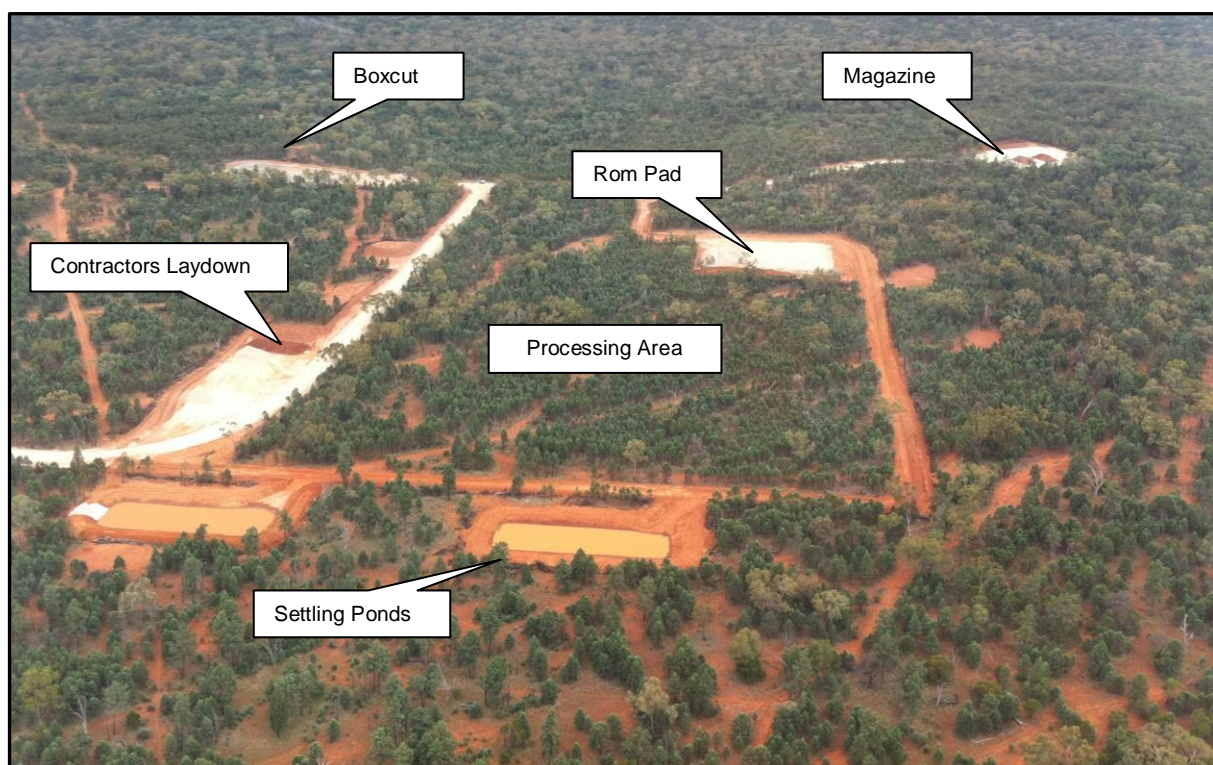
HERA GOLD PROJECT

YTC-100%

Stage 1 of Hera Project Earthworks Substantially Complete

YTC has now substantially completed Stage 1 earthworks at the Hera site. Stage 1 earthworks are being completed under the existing Part 5 approvals as the company awaits receipt of full project (Part 3A) approvals.

The Stage 1 earthworks include the construction of the main site access road, construction of diversion drains and settling ponds, clearing of the contractor's area and construction of the boxcut.



Oblique aerial photo showing earthworks completed at the Hera Project



Hera boxcut showing completed ground support on high-wall face



Photos of completed haul road

Works completed under Stage 1 include:

- Completion of main site access road
- Clearing of ROM pad and contractors laydown area with associated drainage bunding and sediment ponds
- Completion of magazine and access road
- Excavation of decline boxcut

The Stage 1 earthworks are expected to complete in the next week, on time and on budget. Completion of the Stage 1 earthworks allows for a 3 month 'head start' to full development activities expected to commence shortly after permitting.

Hera Project Permitting

The Environmental Assessment (EA) document for the Hera Project was put on public exhibition for the period 17th November – 19th December 2011. A total of seven (7) submissions were received, all from Government Departments. No submissions were received from the public.

A Response to Submissions was finalised by YTC during the quarter and submitted to the NSW Dept. of Planning on 18 February for final project determination.

YTC expects receipt of full project approvals shortly.

Strong results from Hera reserve extension drilling

Drilling results received in the quarter to test for reserve extensions in the upper part of the northern Hera Main Lens have confirmed this part of the deposit is lead-zinc rich, and strong intersections outside the current Reserve outline will likely result in additional Reserve tonnages to form the first production stopes in the Hera mine and shorten the schedule to first ore production. Highlight intersections include:

HRD038: 10m @ 5.4% Pb, 10.0% Zn, 0.13g/t Au and 30g/t Ag

HRD038W1: 18m @ 7.2% Pb, 4.4% Zn, 0.32g/t Au and 48g/t Ag

TNY047AW1: 15m @ 3.3% Pb, 7.0% Zn, 0.5g/t Au and 23g/t Ag

Hole HRD039W1 intersected significant grade in a mineralised structure some 30m east of the Hera Main Lens:

HRD039W1: 5m @ 3.96g/t Au, 1.7% Pb, 3.4% Zn and 9g/t Ag

This intersection east of the Hera Main Lens further demonstrates the potential for additions to the initial +7 year mine life at Hera, and YTC will follow up these results with further drilling.

A long section of the Hera Main Lens, showing the position of the new results and likely extension to the Hera Mining Reserve, is included with this report.

Hera Exploration

During the quarter YTC completed a follow up drill hole at the Dominion prospect, located approximately 12km south of the Hera deposit. The hole was designed to follow-up a "Hera look-a-like" target associated with encouraging lead-zinc mineralisation intersected in previous RC drilling and a co-incident geophysical IP anomaly.

The hole intersected strongly altered sediments with disseminated iron-sulphides from surface to around 150m downhole. Assay results for this hole are pending.

Hera DHEM

A review of a 2005 downhole EM (DHEM) survey completed by Triako, showed the method had effectively located the extent of what is now known as the Hera Far West Lens.

This review has provided encouragement for a substantial DHEM programme at Hera which is due to commence next week. The survey will include up to 11 drillholes and is specifically designed to:

- Target **northern** extensions of the Hera ore body. The northernmost hole at Hera, approximately 150m north of the existing resource, intersected strong mineralisation grading 2m @ 50g/t Ag and 20.7% Pb + Zn.

- Target copper rich ore lenses **beneath** the existing Hera ore body. YTC considers Hera to represent the upper, lead-zinc rich section of a larger 'Cobar Style' ore system. The development of copper rich lenses at depth is consistent with the ore zonation observed at the Peak gold deposit, located approximately 90km north along strike.
- Target **southern** extensions to the Hera orebody. Previous drilling approximately 100m south of the existing Hera resource intersected economic grade mineralisation assaying 7.7m @ 5.7g/t Au and 5.4% Cu + Pb + Zn.

The Dominion, Hebe and Zeus prospects will also be tested by both fixed loop EM and downhole EM during this programme

Targets generated from these EM programmes will be subject to a substantial drilling campaign starting in June.

Table 1: Collar summary for Hera drill holes in this report

Hole	GDA_E	GDA_N	DIP	AZI_MGA	Depth	Comments
TNY047AW1	436438	6447392	-67	266.3	315.4	Wedge hole off historic drill hole
TNY050W1	436198	6447324	-71	83.3	366.5	Wedge hole off historic drill hole
HRD036	436379	6447428	-66	246.3	300.8	
HRD037	436201	6447324	-60	71.3	282.9	
HRD038	436379	6447430	-69	267.3	291.8	
HRD038W1	436380	6447430	-69	267.3	282.8	
HRD039	436380	6447430	-72	267.3	339.6	
HRD039W1	436380	6447430	-72	267.3	343	

Table 2: Intersection summary for Hera drill holes in this report

Hole	From (m)	To (m)	Intercept (m)	Est true width (m)	Au* (g/t)	Cu (%)	Pb (%)	Zn (%)	Ag (g/t)	Comments
TNY047AW1	264	279	15	10	0.5	0.1	3.3	7.0	23	Main Lens
TNY050W1	261	265	4	2.5	0.32	-	1.5	2.3	8	Main Lens
HRD036	201	212	11	6	0.19	0.5	1.2	1.9	12	Main Lens
HRD037	214	215	1	0.5	0.11	-	3.1	3.2	18	
HRD038	212	222	10	6.5	0.13	0.2	5.4	10	3	Main Lens
HRD038W1	192	210	18	11.7	0.32	0.4	7.2	4.4	48	Main Lens
HRD039W1	194	199	5	2.5	3.96	-	1.7	3.4	9	Eastern Structure

*All gold assays are quoted using the screen fire assay method.

NYMAGEE JOINT VENTURE

YTC-95%

Activities at Nymagee during the quarter included continued resource extension drilling, interpretation of EM surveys and drill testing of EM targets.

New Targets generated from EM Surveys

In December 2011, YTC completed a ground based Fixed Loop EM (FLEM) survey and a downhole EM (DHEM) survey at the Nymagee copper deposit, which were both designed to delineate new targets around existing drill holes and at the Northern end of Nymagee.

EM surveys are considered very effective for detecting copper mineralisation in the Cobar district on the basis that copper rich sulphides are good electrical conductors and there are few sources of false anomalism.

The conductive responses from the surveys were modelled into conductor 'plates' which represent targets for future drilling as likely positions of new mineralisation. A number of conductor plate targets have been generated from the surveys. Two conductor plates were considered of particular priority and followed up with the drilling described below.

Conductor Plate 1:

A **very strong conductor plate** was defined in ground EM, located beneath the northern footwall zone of the existing Nymagee Resource envelope. The southern edge of this conductor plate, below the existing Resource, was intersected in hole NMD060 which recorded intersections of:

**NMD060: 8m @ 2.0% Cu from 301m, and
10m @ 2.0% Cu from 357m**

Holes NMD063 and NMD063W1 were completed at the southern end of the plate, below hole NMD060, and recorded results of:

**NMD063W1: 18m @ 1.5% Cu from 364m,
NMD063: 64m @ 0.5% Cu from 463m**

Hole NMD074 was completed to test the centre of the Conductor Plate 1 target. The hole intersected weak copper mineralisation from 338 to 440m. Assays for this hole are still pending.

These results are presented on a long section with the existing Nymagee Resource and EM targets included with this report.

Conductor Plate 2:

A **300m long conductor plate** was identified at Nymagee North, approximately 500m north of the Nymagee deposit. This plate also corresponds to the western flank of gravity high and an IP anomaly, and is considered to be in an ideal position for the development of another deposit of similar style to the Nymagee deposit.

The northern, upper part of this plate was intersected in hole NMD068, which cut a 22m wide mineralised zone including a number of internal intervals of massive sulphide. Assay results confirmed **economic-grade mineralisation**:

**NMD068: 14m @ 63g/t Ag, 0.2% Cu, 2.7% Pb and 5.2% Zn from 207m, and
2m @ 36g/t Ag, 1.4% Cu, 1.2% Pb and 2.2% Zn from 197m**

YTC interprets this result to represent the upper, lead-zinc rich zone above a new potential copper rich mineral system. The Company has since completed three follow up diamond holes for which assays are awaited. Of the holes awaited, hole NMD070W1 intersected an encouraging 20m zone of weak-moderate copper-lead-zinc mineralisation from 340m.

A follow-up programme of downhole EM (DHEM) will be completed in April to generate the next round of drilling targets for both the Nymagee deposit and the Nymagee North target area.

Table 3: Collar summary for Nymagee drill holes in this report

Hole	GDA_E	GDA_N	DIP	AZI_MGA	Depth	Comments
NMD060	434944	6452344	-62	253.3	475.5	
NMD063	434944	6452343	-72	247.3	690	
NMD063W1	434944	6452343	-72	247.3	591	
NMD068	434428	6452853	-55	256.3	284	

Table 4: Intersection summary for Nymagee drill holes in this report

Hole	From (m)	To (m)	Intercept (m)	Est true width (m)	Au (g/t)	Cu (%)	Pb (%)	Zn (%)	Ag (g/t)	Comments
NMD060	301	309	8	6	-	2.0	-	-	8	Footwall lode
	357	367	10	7.5	-	2.0	-	-	10	Footwall lode
NMD063	463	527	64	41	-	0.5	-	-	4	Footwall lode
NMD063W1	364	382	18	12	-	1.5	-	-	8	Footwall lode
NMD068	197	199	2	2	0.08	1.4	1.2	2.2	36	
NMD068	207	221	14	14	0.05	0.2	2.7	5.2	63	

KADUNGLE PROJECT

YTC-100%

Large gold system confirmed at Kadungle

The Kadungle copper-gold project is located approximately 50km north-west of Parkes in central west NSW and is considered prospective for porphyry related copper-gold and epithermal gold mineralisation.

In December 2011, YTC completed 2 RC holes at the Mt Leadley prospect at Kadungle, testing for copper-gold mineralisation associated with a diatreme breccia and a newly defined gravity low.

Assay results from these holes were received in February and confirmed broad intervals of low grade gold-copper mineralisation, with **high gold grade mineralisation** preferentially developed on the margin of the diatreme breccia:

**KRRC019: 154m @ 0.37g/t Au and 0.12% Cu from 0m, includes
 3m @ 7.08g/t Au and 0.31% Cu from 115m (breccia margin)**

KRRC020: 131m @ 0.13g/t Au and 0.17% Cu from 41m

A third RC hole, KRC021, testing an IP anomaly 400m west of holes KRC019 and KRC020, did not return significant results.

The higher grade gold interval in KRRC019 (**3m @ 7.08g/t Au**) is associated with the eastern breccia margin 50m south along strike from high grade gold intersected in the same structural position in previous drilling (KDD002: **12m @ 7.73g/t Au**).

The drilling has confirmed the preferential development of high grade gold in this position. The company considers the breccia margin zone at Kadungle to represent an exciting high grade gold target.

Table 5: Collar summary for Kadungle drill holes in this report

Hole	GDA_E	GDA_N	DIP	AZI_MGA	Depth	Comments
KRRC019	560407	6378652	-60	091	204	Mt Leadley Prospect
KRRC020	560394	6378608	-65	090	172	Mt Leadley Prospect
KRRC021	559960	6378554	-68	089	222	Testing IP anomaly

Table 6: Intersection summary for drill holes in this report

Hole	From (m)	To (m)	Intercept (m)	Est true width (m)	Au (g/t)	Cu (%)	Comments
KRRC019	0	154	154	154	0.37	0.12	
Includes	115	118	3	3	7.08	0.12	Breccia margin
KRRC020	41	172	131	131	0.13	0.17	Mineralised at end of hole

March 2012

Quarterly Activities Report

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CORPORATE

Cash Position

At 31 March 2012, the Company held cash reserves of \$16.8 million.

Hera Funding discussion well advanced

YTC has substantially advanced discussions with regard to bank and offtaker linked project finance for the Hera Project.

Although the final funding mix has not yet been finalised the company is very pleased with the progress of these discussions.

Key

- New YTC Drillhole with Results
- Previous Drillhole with Results

TNY022:
3m @ 3.82g/t Au, 5.9% Pb, 10.4% Zn and 29g/t Ag

HRD036:
11m @ 0.19g/t Au, 1.6% Pb, 2.6% Zn and 16g/t Ag

TNY063:
13m @ 0.15g/t Au, 4.5% Pb, 7.7% Zn and 25g/t Ag

HRRC001
5m @ 5.64g/t Au, 1.47% Pb and 5.51% Zn

HRD038W1
18m @ 0.32g/t Au, 7.2% Pb, 4.4% Zn and 48g/t Ag

HRD038:
10m @ 0.13g/t Au, 5.4% Pb, 10.0% Pb and 30g/t Ag

TNY047AW1:
15m @ 0.5g/t Au, 3.3% Pb, 7.0% Zn and 23g/t Ag

TNY050W1:
4m @ 0.32g/t Au, 1.5% Pb, 2.3% Zn and 8g/t Ag

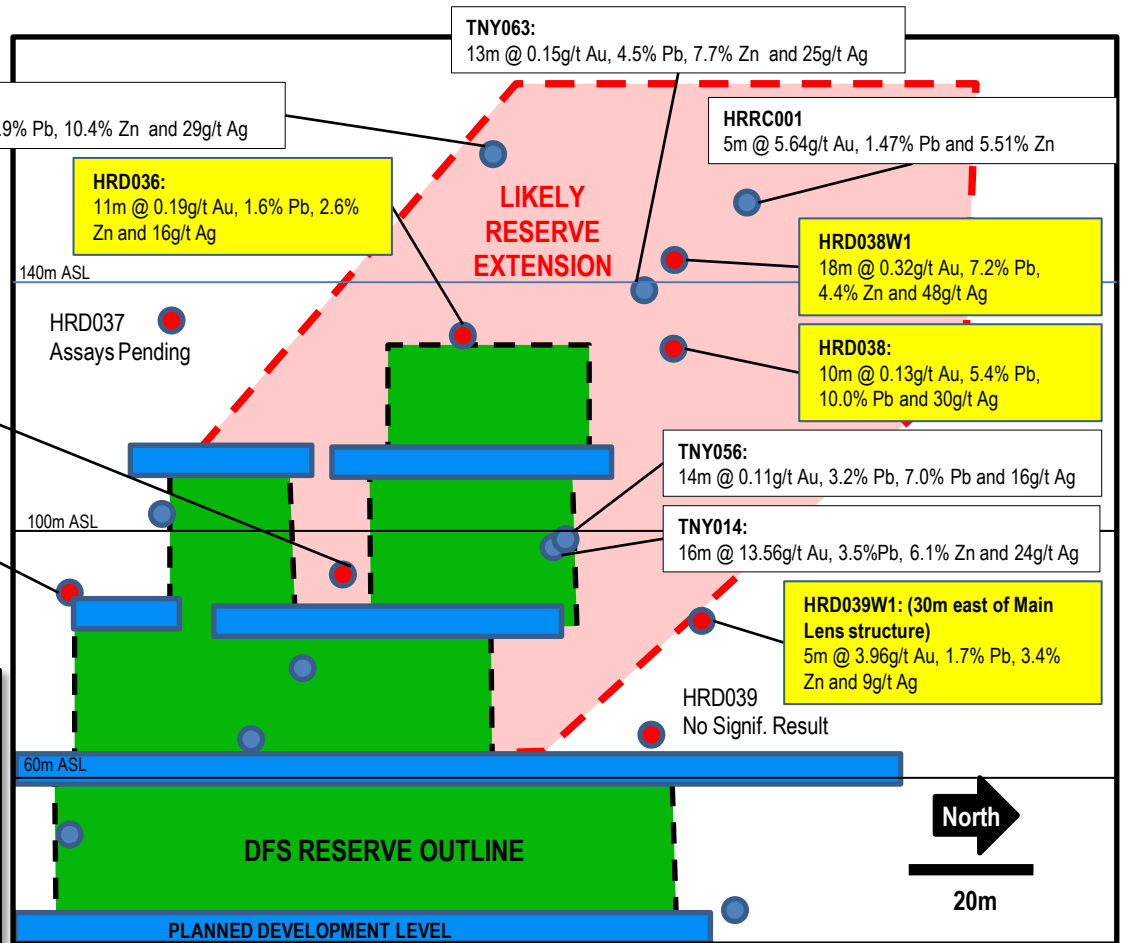
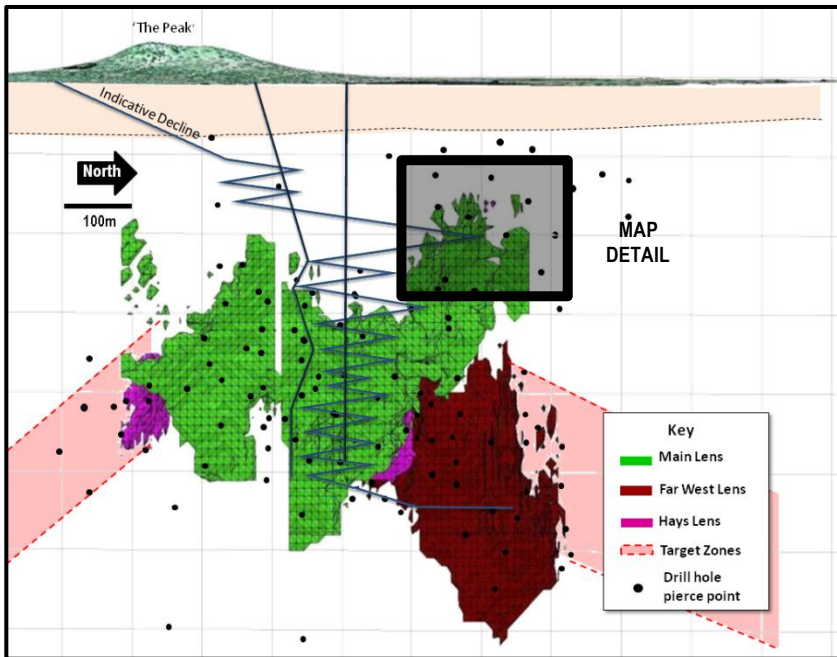
HRD037
Assays Pending

TNY056:
14m @ 0.11g/t Au, 3.2% Pb, 7.0% Pb and 16g/t Ag

TNY014:
16m @ 13.56g/t Au, 3.5%Pb, 6.1% Zn and 24g/t Ag

HRD039W1: (30m east of Main Lens structure)
5m @ 3.96g/t Au, 1.7% Pb, 3.4% Zn and 9g/t Ag

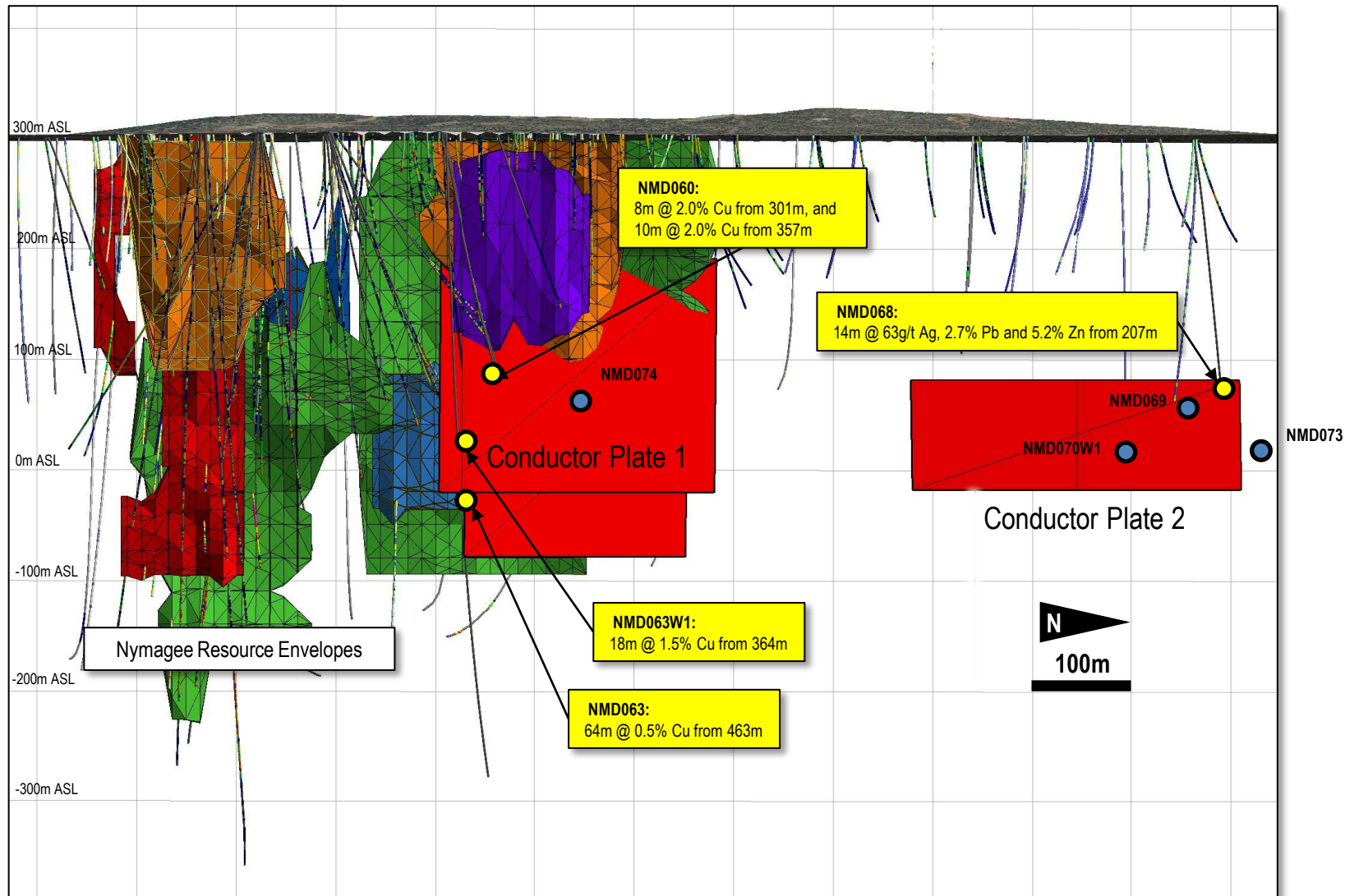
HRD039
No Signif. Result



Hera Gold Deposit Long Section – Hera Main Lens – Upper North Reserve Extension – Drilling Results

Grid: Local - Scale as Shown

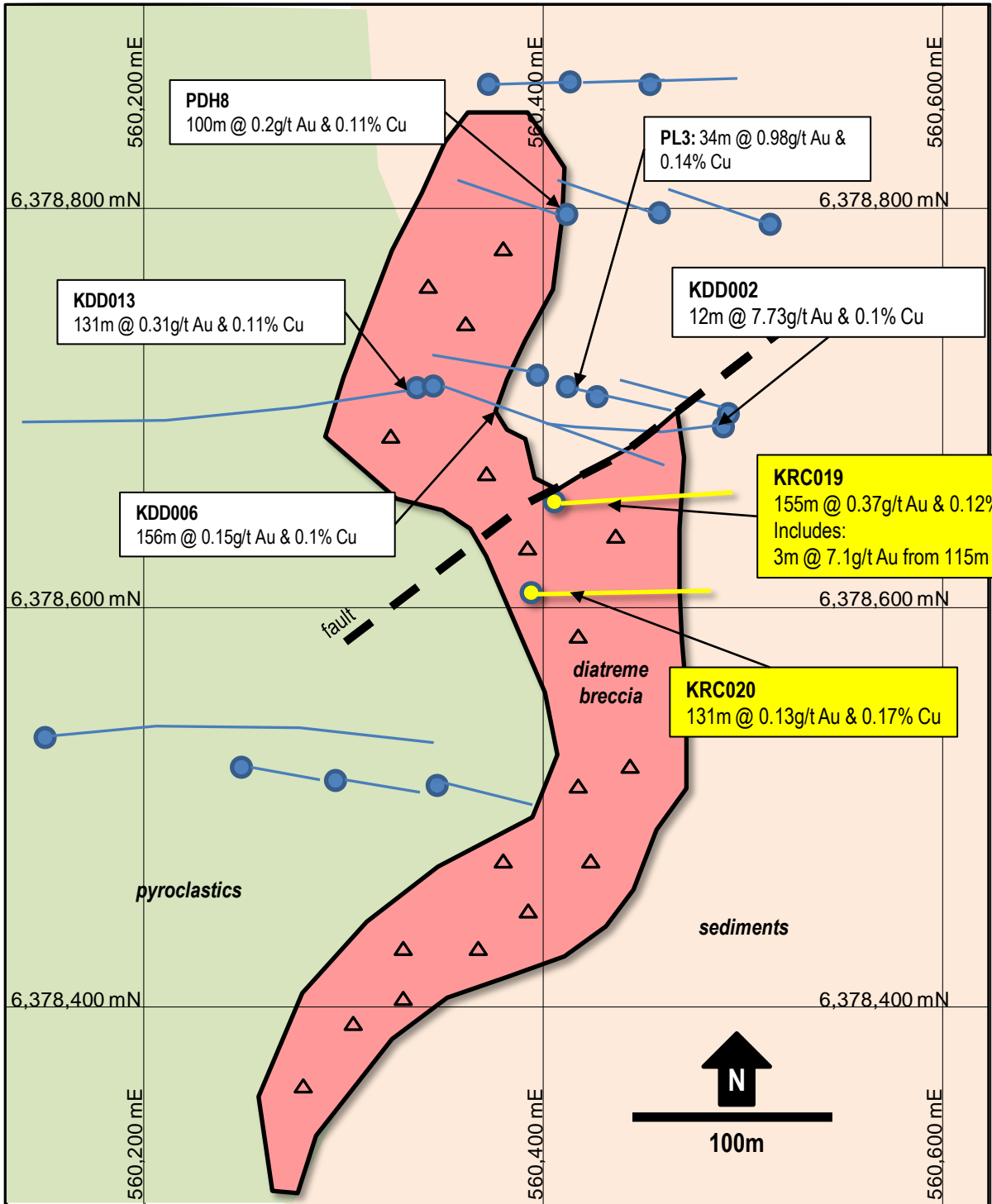




- Recent Drilling – New Results
- Recent Drilling – Results Pending

Long Section – Nymagee Looking West
Showing EM Conductor Plates and Nymagee Resource Envelopes
with Recent drill results

Grid: GDA Zone 55 - Scale as Shown



PDH8
100m @ 0.2g/t Au & 0.11% Cu

PL3: 34m @ 0.98g/t Au & 0.14% Cu

KDD013
131m @ 0.31g/t Au & 0.11% Cu

KDD002
12m @ 7.73g/t Au & 0.1% Cu

KDD006
156m @ 0.15g/t Au & 0.1% Cu

KRC019
155m @ 0.37g/t Au & 0.12% Cu
Includes:
3m @ 7.1g/t Au from 115m

KRC020
131m @ 0.13g/t Au & 0.17% Cu

Kadungle Project
Mt Leadley Prospect
Drill Hole & Geology Plan

Grid: GDA94 - Scale as Shown

- Previous Drill Holes – with results
- New Drill Holes –with results



Appendix 1: MINERAL RESOURCES AND RESERVES

Table 1: Hera Deposit Mineral Resource Estimate (YTC – 100%) – June 2011

Category	Tonnes	NSR (A\$)	Au g/t	Ag g/t	Cu %	Pb %	Zn %	Au Eq (g/t)	Contained Au ozs Eq
Indicated	2,113,000	243	4.2	17.0	0.2	2.8	3.9	9.2	
Inferred	330,000	207	3.5	14	0.1	2.3	3.3	7.5	
Total	2,444,000	238	4.1	16.7	0.2	2.8	3.8	8.6	677,200

Table 2: Hera Deposit – DFS Mining Reserve (YTC-100%) – September 2011

Source	Tonnes	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)	Au Eq (g/t)	Contained Gold Ounces (Au Eq.)
Development Sub-total	278,158	2.86	13.06	0.13	2.26	3.19		
Stope Sub-Total	1,597,760	3.72	15.39	0.17	2.56	3.55		
MINE PROBABLE RESERVE	1,875,918	3.59	15.04	0.16	2.51	3.50	7.00	423,471

Table 3: Nymagee Deposit Mineral Resource Estimate (YTC – 95%) – December 2011

Description	Cut Off	Tonnes	Cu %	Pb %	Zn %	Ag g/t
INDICATED						
Shallow Cu Resource (above 90mRL)	0.3% Cu	5,147,000	1.00	0.10	0.20	5
Deeper Cu Resource (below 90m RL)	0.75% Cu	1,984,000	1.80	0.30	0.60	11
Lead-Zinc-Silver Lens	5% Pb + Zn	364,000	0.50	4.40	7.80	41
INFERRED						
Deeper Cu Resource (below 90m RL)	0.75% Cu	601,000	1.30	0.10	0.20	8
GLOBAL		8,096,000	1.20	0.30	0.70	9
Contained Metal (tonnes)			96,000	27,000	53,000	69

Table 4: Midway & 3KEL deposits – Doradilla (YTC earning 70%) – February 2008

Category	Sn Cut-off	Midway		3KEL	
		M Tonnes	% Sn	M Tonnes	% Sn
Inferred	0.1%	4.63	0.25	3.18	0.34
Inferred	0.2%	1.97	0.4	1.85	0.48
Inferred	0.5%	0.38	0.92	0.56	0.89

Competent Persons Statement – Nymagee & Hera Resource Estimate

The Resource Estimation for both Hera and Nymagee deposits has been completed by Mr Dean Fredericksen the Chief Operating Officer of YTC Resources Ltd who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Dean Fredericksen 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 Fredericksen 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 – Exploration Results

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 Ore Reserve

The Information in this report relating to Ore Reserves is based on work undertaken by Mr Michael Leak of Optiro Pty Ltd under supervision of Mr Sean Pearce. This report has been compiled by Sean Pearce, who is a Member of the Australasian Institute of Mining and Metallurgy. Sean Pearce 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 Pearce 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.