

NYMAGEE UPDATE NEW TARGETS GENERATED FROM EM SURVEYS

YTC Resources Limited (“YTC” or “the Company”) is pleased to update the market with the latest exploration results from the Nymagee Copper Deposit (YTC-95%) in the Cobar Basin, NSW.

EM SURVEYS DEFINE NEW TARGETS

In December 2011, YTC completed a ground based Fixed Loop EM (FLEM) survey and a downhole hole 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 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 have been modelled into conductor ‘plates’ which represent targets for future drilling. A number of conductor plate targets have been generated from the surveys. Two conductor plates are of particular priority and are presented on the long section included with this release:

Conductor Plate 1:

A **very strong conductor plate** has been defined beneath the northern footwall zone of the existing Nymagee Resource envelope. The edge of this conductor plate was intersected in hole NMD060. Results from NMD060 have been received this week and the hole recorded the following intersections:

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

Conductor Plate 2:

A **300m long conductor plate** has been identified at Nymagee North, approximately 500m north of the Nymagee deposit. This plate also corresponds to the western flank of a 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 (reported to ASX on 20 Dec 2011), which cut a 22m wide mineralised zone including a number of internal intervals of massive sulphide. Assay results for NMD068 are pending. This zone is currently the target of follow-up diamond drilling.

Commenting on the results, YTC’s CEO Rimantas Kairaitis said:

“The EM surveys look to have been very effective in generating new targets and YTC looks ahead to drill testing each of these targets as part of the broader exploration effort at Nymagee .”

Table 1: Collar summary for drill holes in this release

Hole	GDA_E	GDA_N	DIP	AZI_MGA	Depth	Comments
NMD060	434944	6452344	-62	253.3	475.5	

Table 2: Intersection summary for drill holes in this release

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

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.



**Long Section – Nymagee
Looking West**

Showing new EM Conductor Plates and Nymagee Resource Envelopes

Grid: GDA Zone 55 - Scale as Shown

About the Nymagee Joint Venture

YTC has a 95% interest in the Nymagee JV tenements which are located immediately north of YTC's 100% owned Hera gold-base metal deposit.

YTC has recently announced a maiden resource at Nymagee of 8.1Mt @ 1.2% Cu, 0.3%Pb, 0.7% Zn and 9g/t Ag.

The Joint Venture includes the Nymagee Copper Mine which last operated in 1918, and has recorded historical production of 422,000t @ 5.8% Cu.

YTC is the manager and operator of the Joint Venture and undertaking exploration at Nymagee to pursue the combined development of Nymagee and Hera.

The Nymagee Mine Joint Venture includes the following Exploration Licences and Mining Leases which cover both the historic Nymagee Copper Mine as well as linking the tenement coverage of the Hera-Nymagee corridor.

- EL 4458, EL 4232, ML 53, ML 90, ML 5295, ML 5828 and PLL 847



Massive sulphide mineralisation – Nymagee Copper Deposit

About the Hera Gold and Base Metals Deposit

The Hera Project is located 100km south-east of Cobar and is hosted in Cobar Basin rocks which also host the world-class mineral deposits at CSA, The Peak and Endeavor.

The Hera deposit was discovered by Pasminco in 2001 and advanced to pre-feasibility by Triako Resources in the period 2002 to 2006, before Triako was the subject of a takeover by CBH Resources Limited. YTC acquired the Hera Project from CBH Resources in September 2009.

The Hera deposit represents multiple lenses of high grade, sub-vertical gold and base metal mineralisation. The central Main lens represents the bulk of the deposit tonnes and extends for approximately 600m along strike.

YTC recently released a Definitive Feasibility Study ("DFS") on mining and processing of the Hera deposit to establish an underground mine producing gold, silver, lead, zinc as stage 1 of an integrated mine development with Nymagee. The study confirms the technical and financial viability of the development of the Hera deposit. Stage 1 development will see the establishment of the Hera gold mine and construction of a processing facility at the Hera site.

The Company is at the same time undertaking an aggressive drilling programme at the Nymagee Copper Deposit, located 4.5km to the north, with a view to establishing a maiden resource estimate for Nymagee and completing Stage 2 Feasibility studies into the combined development of Nymagee and Hera.

YTC considers that exploration upside exists not only in the extension of the existing lenses, but also in the interpretation of Hera to evolve into a major gold-base metal system consistent with the pedigree of Cobar-style deposits.



High grade visible gold mineralisation Hera Project – hole HRD032