

## FURTHER EM TARGETS AT THE HERA GOLD DEPOSIT

- **Downhole EM confirms new target to the North of Hera Deposit**
- **Exploration drilling has recommenced at Hera**

YTC Resources Limited (“YTC” or the “Company”) is pleased to provide the following exploration results from the Hera Gold Deposit (YTC-100%) in the Cobar Basin, NSW.

### HERA DOWNHOLE EM PROGRAMME – NEW TARGET NORTH OF HERA

In addition to the strong down hole EM (‘DHEM’) conductor plate identified at the southern end of the deposit (reported to the ASX on 29<sup>th</sup> May), YTC has now detected further conductor plates north of the existing Hera Resource.

The plates consist of a strong conductor within a larger moderate conductor plate to the north of existing drilling coverage at Hera. This northern target represents a strong EM conductor plate to the immediate north of previous drillhole CNYDD019 which recorded:

- 20.7m @ 0.31g/t Au, 50g/t Ag, 2.9% Pb, 1.9% Zn from a depth of 318.7 metres

The position of the new conductor targets relative to the existing Hera Resource and previous drilling are presented on a long section and plan with this release.

YTC is currently completing an extensive programme of down hole EM (DHEM) geophysics at the Hera deposit. The DHEM survey is designed to detect extensions to the known deposit as well as provide new targets beneath the Hera deposit. The DHEM detects “conductors” which can be accurately modelled as “plates”, and which have been demonstrated to correlate strongly with base metal sulphide mineralisation.

This conductor will be included in the target list for the Hera drilling programme which recommenced this week.

### DRILLING RE-COMMENCED AT HERA

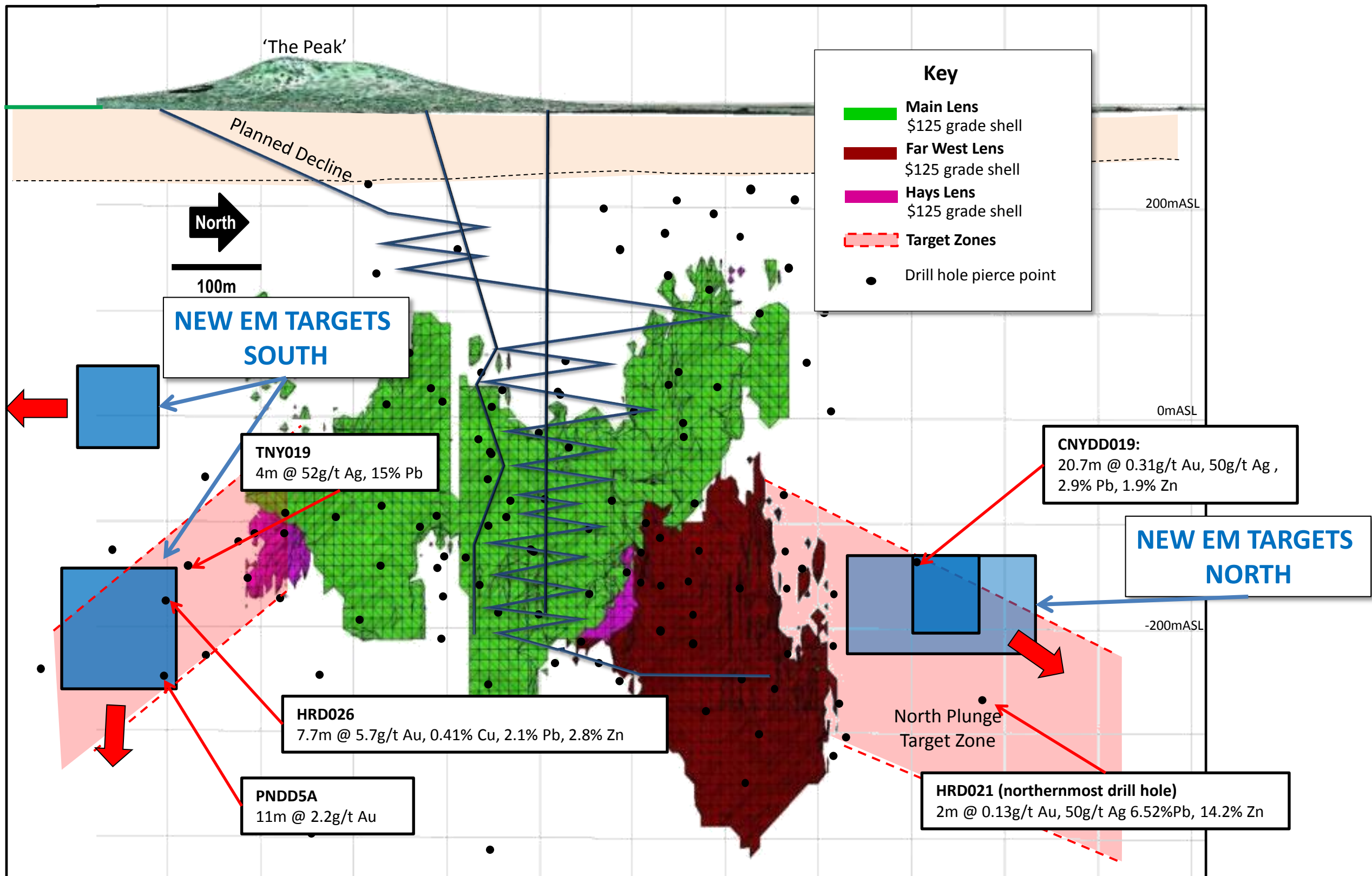
YTC has recommenced exploration drilling at Hera. The drilling programme is designed to sequentially test numerous geological and geophysical targets at both Hera and Nymagee. The first drill hole in the programme (HRD040) is designed to test the centre of the southern EM anomaly at Hera, and is at approximately 200m towards a target depth around 450m.

Commenting on the results, YTC’s MD Rimas Kairaitis said:

*“The DHEM survey continues to generate targets which we consider to represent likely extensions to the Hera deposit mineralisation. With drilling now recommenced and numerous DHEM targets from both Hera and Nymagee in front of us, we look forward to reporting drill results as they come to hand. DHEM has to date proven to be very effective for targeting extensions to these deposits, and these results are consistent with the Cobar type deposit model of vertically extensive mineral deposits”.*

#### *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.*



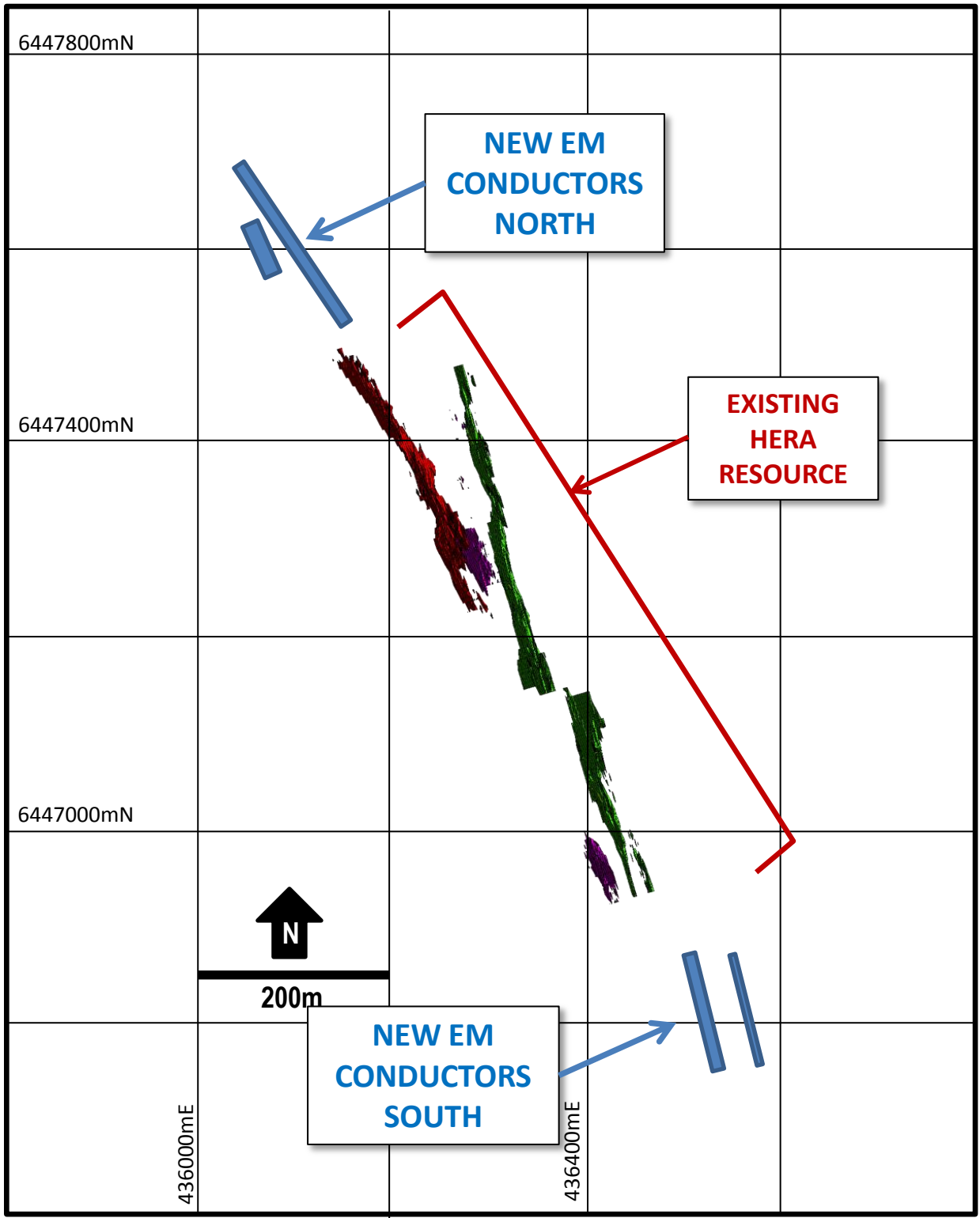
June 2011 Resource Estimate

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	
<b>Total</b>	<b>2,444,000</b>	<b>238</b>	<b>4.1</b>	<b>16.7</b>	<b>0.2</b>	<b>2.8</b>	<b>3.8</b>	<b>8.6</b>	<b>677,200</b>

**Hera Gold Deposit**  
**Resource Outlines – Long Section looking west**  
**Showing new DHEM Conductors and previous drilling**

Grid: GDA – Zone 55 - Scale as Shown





**Hera Gold Deposit**  
**Plan View with Resource Outlines**  
*Showing new DHEM Conductors*

Grid: GDA94 - Scale as Shown



### **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.

Stage 2 Feasibility studies will look at the optimum strategy for the integration of the Nymagee deposit into the Hera development.

YTC has completed preliminary development works at Hera under the existing Part 5 approval as it awaits final permitting for the Hera development.

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.



**Stage 1 Earthworks completed at Hera – April 2012**

### **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**