

## HERA EXPLORATION UPDATE

- **Strong mineralisation intersected in first hole testing DHEM target**
- **Downhole EM confirms new target east of Hera Deposit**

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.

### FIRST DRILL HOLE INTO DOWNHOLE EM TARGET INTERSECTS STRONG MINERALISATION

The first exploration drill hole (HRD040) designed to test the down hole EM (DHEM) target south of Hera has intersected strong mineralisation in the target zone. The hole intersected a zone of strong alteration and sulphide mineralisation for an approximate 100m down hole width. This zone includes a zone of approximately 15m hosting strong sulphide mineralisation with visible gold.

The intersection in hole HRD040 provides strong validation of the effectiveness of the DHEM technique, and shows the mineralisation in this area remains open along the southern plunge. The position of hole HRD040 is presented on the Hera long section accompanying this release.

The hole is being prepared for sampling and assay results are expected to be available in approximately 4 weeks. Drilling continues, and follow up holes into this target are now being planned.

### DOWNHOLE EM CONFIRMS NEW TARGET EAST OF HERA DEPOSIT

The continuing programme of down hole EM geophysics at Hera has identified another new EM conductor east of the Hera deposit, and below the previously recognised ‘Kershaws Lens’. A new conductor plate has been modelled about 110m below previous drill hole CNYDD005B, which recorded:

**CNYDD005B:** 24m @ 0.23g/t Au, 12g/t Ag , 0.12% Cu, 2.6% Pb, 3.2% Zn

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.

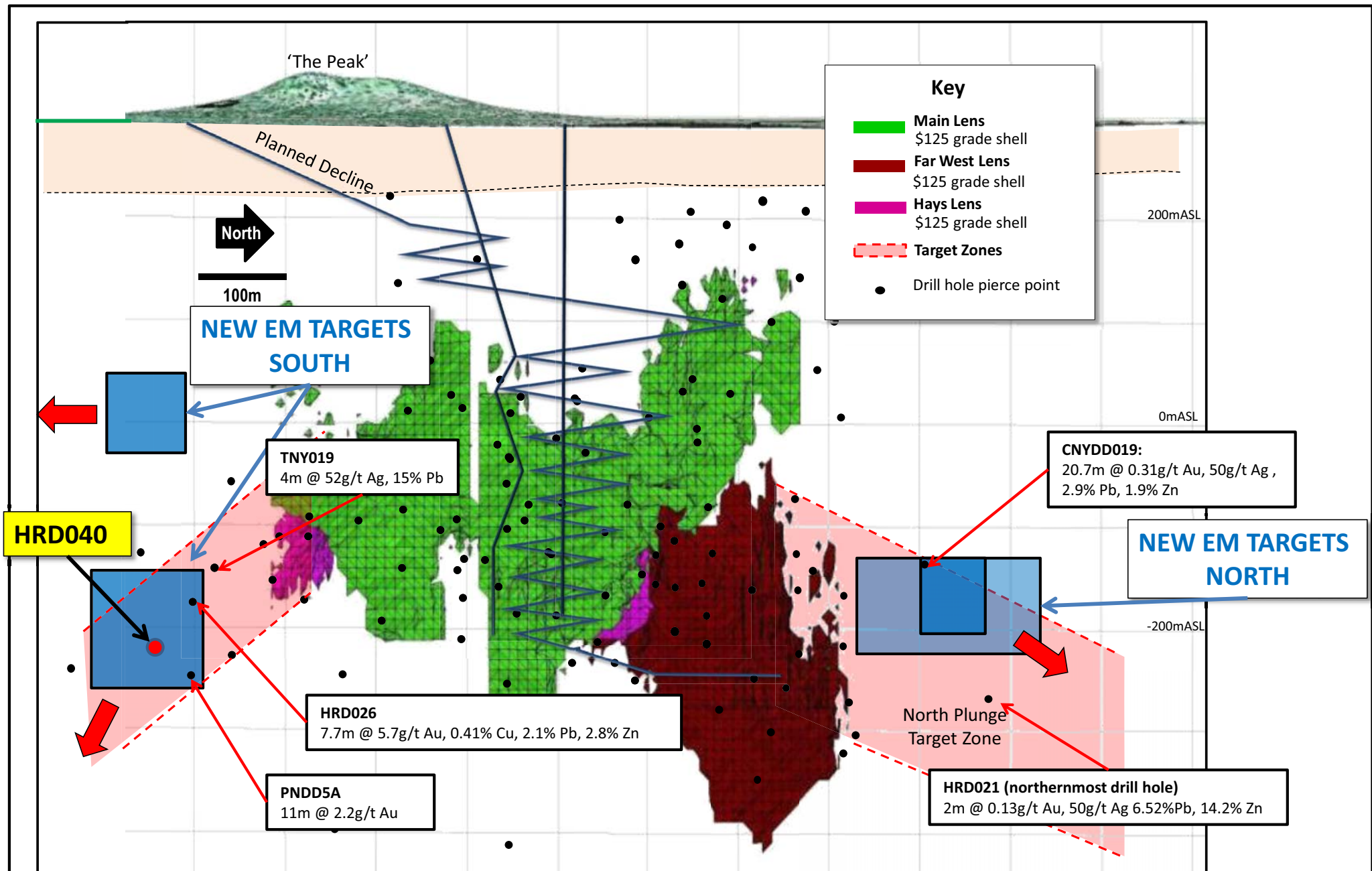
This position of the new conductor plate and the other plates defined as part of the DHEM survey are shown on plan included with this release.

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

*“The strong mineralisation observed in hole HRD040 opens up the southern plunge of the Hera ore body and is strong validation for the DHEM technique at Hera. We believe this result substantially upgrades the other DHEM targets identified in the survey, and we look forward to continuing our drill testing of these new targets which demonstrate the strong growth potential of at the Hera Project”.*

#### *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.*



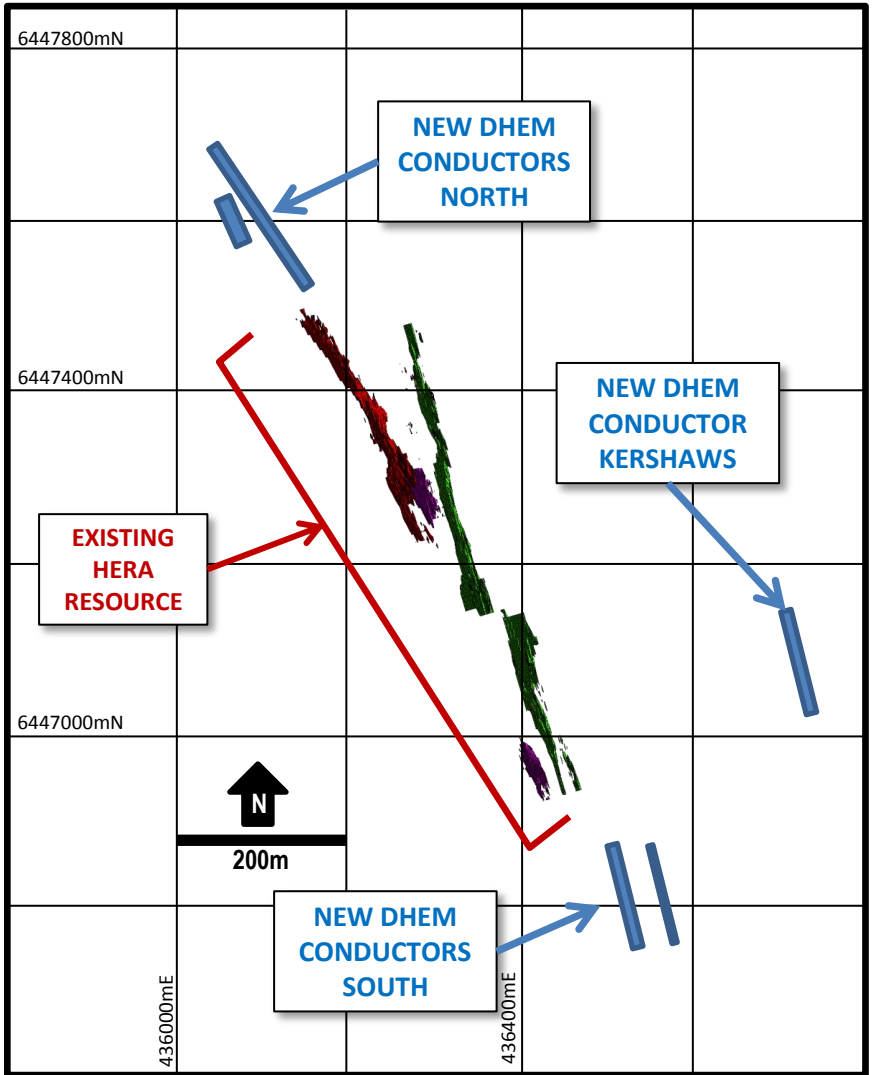
June 2011 Resource Estimate

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**