

HERA-NYMAGEE EXPLORATION UPDATE

- **Discovery of new sulphide lens at Hera North confirmed**
- **Drilling re-commences at Nymagee**

YTC Resources Limited (“YTC” or the “Company”) is pleased to provide the following exploration update from the Hera Gold Deposit (YTC-100%) and the Nymagee JV (YTC-95%) in the Cobar Basin, NSW.

MASSIVE SULPHIDES INTERSECTED AT HERA NORTH

Drill hole HRD042W1 was drilled as a wedge off parent hole HRD042 to follow up the strongly mineralised intersection announced on 9 August 2012. Drill hole HRD042W1 has intersected a 10m zone of strong lead-zinc sulphides including a 4m zone of massive lead-zinc sulphides, approximately 65m above the intersection observed in hole HRD042. The down hole widths are expected to be close to true widths. Assays are awaited for both HRD042 and HRD042W1.

The intersection confirms the discovery of a new sulphide lens at Hera North and confirms the Hera deposit remains open to the north. HRD042W1 is now the northernmost hole in the Hera deposit, which lies approximately 200 metres north of the existing Hera Resource.

The recent drilling at Hera continue to validate the downhole EM (DHEM) technique as a direct ore-detection method in this geological setting.



Massive and matrix lead-zinc mineralisation in hole HRD042W1, approx. 330m down hole depth



Detail of massive lead-zinc sulphides in hole HRD042W1 – approx. 327m down hole depth

Follow up drilling on this new lens has already commenced. Assay results for hole HRD042W1 are expected to be available in approximately 4 weeks. The position of hole HRD042W1 is shown on a Hera long section included with this release.



DRILLING RE-COMMENCES AT NYMAGEE

YTC has mobilised a second rig with substantial depth capacity to re-commence the drilling programme at the Nymagee copper deposit.

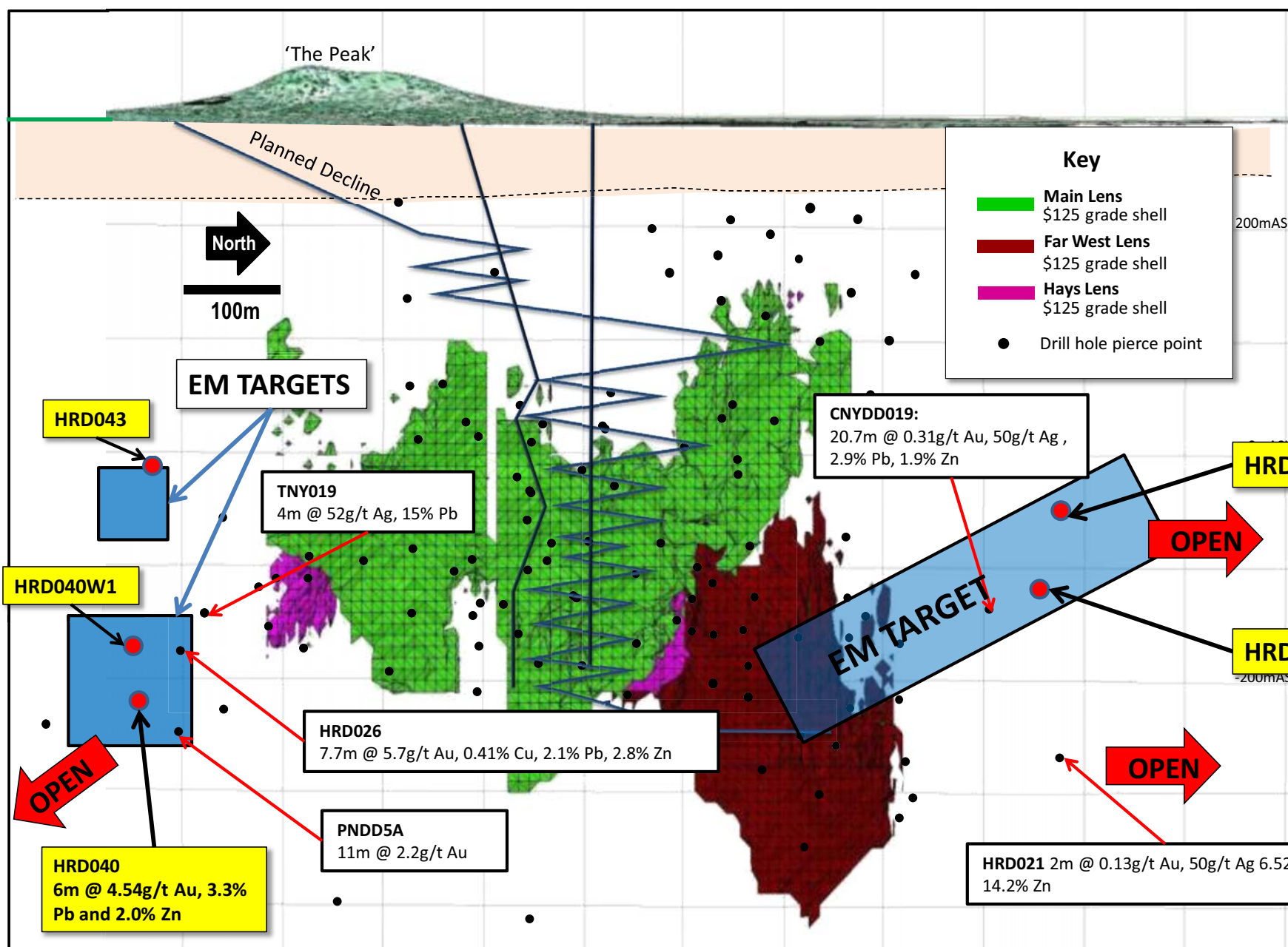
The programme will initially focus on untested DHEM targets detected below strong lead-zinc silver mineralisation at Nymagee North. The rig will then move to testing of deeper targets beneath the main Nymagee deposit.

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

"This result confirms the discovery of a new mineralised lens to the Hera deposit. Hera is growing in size as expected in the Cobar Basin setting. YTC will continue its exploration in tandem with the Hera development as we look to establish a major new mining centre in the Nymagee district"

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	
Total	2,444,000	238	4.1	16.7	0.2	2.8	3.8	8.6	677,200

Hera Gold Deposit
Long Section looking west with Resource Outlines
Showing new drill hole positions,
DHEM conductor targets and previous drilling

Grid: GDA – Zone 55 - 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.

In September 2011, YTC 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.

YTC received State Government Approval for the Hera Project in August 2012.

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



Hera Project – Completed Boxcut

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