

## SUMMARY HIGHLIGHTS

### HERA DEFINITIVE FEASIBILITY STUDY (DFS)

- Resource drilling results return numerous high grade gold + base metal intersections and extends the Hera Deposit to the north
- Gold bearing intersections from the drilling at Hera have been re-assayed by Screen Fire Assay technique, with the results upgrading previously reported gold content by a length-weighted average of 15%
- Resource drilling is interpreted to have linked the Far West Lens and the Hays/Werners Lens into a continuous Western Lens
- New Hera resource estimation now underway; Upgraded Hera resource estimate expected in May 2010
- A further 4 drill holes awaiting assay results
- Hera metallurgical flow sheet finalised
- Final round of metallurgical test work commenced
- Baseline flora, fauna, heritage and transport studies commenced
- Sterilisation RC drilling programme commencing this week

### HERA EXPLORATION

- Drill testing 200m to the north of the Hera Deposit (HRD021) intersected a broad zone base metal mineralisation with an internal 1.5m zone of semi-massive lead-zinc sulphides
- Detailed gravity geophysics survey covering the highly prospective Hera-Nymagee corridor is now complete
- Several new, high priority gravity anomalies have been identified for further exploration, including the Zeus gravity target, 1.5km south of Hera
- Initial drill testing (4 holes) at Zeus has delineated an extensive alteration system and weak base metal mineralisation
- Follow up RC drill testing of the Zeus anomaly to be completed in May
- Final gravity modelling is nearing completion

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## HERA PROJECT – DEFINITIVE FEASIBILITY STUDY

### Resource Drilling

YTC Resources has now completed a total of 21 drill holes into the Hera deposit as part of the resource evaluation of the Hera Deposit. The drill holes were designed to:

- Test the margins of the economic limits of the Hera deposit, and
- Infill areas within the Hera Main Lens

The drill collar positions are included in Table 1 below.

**Table 1: Hera DFS: Resource Drill Hole Collars**

Hole	GDA_E	GDA_N	DIP	AZI_MGA	Depth	Comments
HRD003	436146	6447242	-68	61.5	435.9	Northern Main Lens Infill
HRD005	436233	6446954	-65	75.5	450.5	Southern Main Lens Infill
HRD006	436441	6446997	-70	328	59	Hole abandoned
HRD007	436435	6447002	-73	327.5	63.8	Hole abandoned
HRD008	436236	6446955	-61	80	440	Southern Main Lens & 1530 Lens Infill
HRD009W1	436234	6446952	-70	78	520	Southern Main Lens & Hays Lens Infill
HRD004	436063	6447122	-63	66	569.9	Northern Main Lens Infill
HRD011	436278	6447055	-59	73	372.6	Southern Main Lens Infill
HRD012	436218	6447054	-58	73.25	408.5	Southern Main Lens Infill
HRD013	436061	6447123	-62	76	570.1	Northern Main Lens Infill
HRD014	436080	6447201	-63	71	546.4	Main Lens Extension
HRD015W1	436062	6447123	-59	76.25	548.8	Main Lens Infill
HRD016	436132	6447042	-63	65.25	507.8	Main Lens Infill
HRD016W1	436132	6447042	-63	65.25	567.8	Main Lens Infill
HRD016W2	436132	6447042	-63	65.25	543.7	Main Lens Infill
HRD016W3	436132	6447042	-63	65.25	525.7	Main Lens Infill
HRD017	436130	6447040	-63	67.25	98.7	Hole abandoned
HRD018	436176	6447130	-60	72.5	446.8	Main Lens Infill
HRD019	436235	6446953	-68	58	537.8	Cu-Au Lens & Main Lens
HRD020	436076	6447201	-60	60.5	516.5	Main Lens Extension
TNY005W1	436520	6447411	-76	245.3	672.8	Main Lens & Western Lens Extension

Overall, the drilling has confirmed the continuity of position and grade within the Hera Main Lens. In addition, the drilling has delineated an apparent shallow northerly plunge controlling high grade gold mineralisation within the Hera deposit. (see long section included with this report).

A list of significant intersections now reported from the Hera DFS drilling is included as Table 2, below.

Results are still pending for a further four holes. The resource estimation process has commenced, with an updated Hera resource statement to be finalised in May.

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Table 2: Hera DFS: Summary of Significant Drill Results from Resource Drilling

Hole	From (m)	To (m)	Intercept (m)	Au (g/t) Screen Fire Assay	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)
HRD011	112.75	116.75	4	<b>0.28</b>	37	1.12	5.72	10.8
HRD003	392	398	6	<b>8.57</b>	4	0.06	0.61	1.28
HRD004	540	546.3	6.3	<b>2.33</b>	5.7	-	1.32	2.95
HRD005	282	289	7	<b>0.56</b>	33	3.15	1.2	0.23
	373.4	375.05	0.75	<b>1.8</b>	32	0.74	4.92	3.5
	412	416	4	<b>1.13</b>	1	-	0.51	0.74
HRD009W1	440	441	1	<b>1.2</b>	48	0.1	8.99	8.41
	457	460	3	<b>6.2</b>	23	0.07	2.8	4.3
HRD008	290	293	3	<b>0.6</b>	11	0.75	1.03	0.34
	349	357	8	<b>1.64</b>	8	0.14	0.9	1.62
HRD015W1	511	519	8	<b>8.46</b>	12	-	3.44	7.97
HRD013	532.5	543	10.5	<b>3.76</b>	7	-	1.8	4.1
HRD013	292.4	293	0.6	<b>53.3</b>				
HRD016	469	473	4	<b>1.55</b>	32	-	9.5	8.5
HRD020	430.5	438.5	8	<b>4.35</b>	18	0.47	2.3	1.4
HRD020	448	451	3	<b>5.72</b>	26	0.25	9.8	5.5
HRD020	456	458	2	<b>5.92</b>	-	-	1.9	3.4
HRD012	306	313.5	7.5	<b>2.43</b>	-	-	-	-
HRD014	475.5	482.3	6.8	<b>6.3</b>	7	-	2.86	2.58
HRD014	489	492	3	<b>8.11</b>	33	0.4	4.5	3.5
HRD014	503.8	514	10.2	<b>1.61</b>	16	-	4	3.52

All gold results in Table 2, are quoted as screen fire assay results. The screen fire assay technique is considered a more accurate determination of gold grade in coarse grained gold ore bodies as it effectively removes the positive or negative bias of coarse gold in a 30g fire assay charge.

The results of the screen fire assay technique show that, on a length-weighted average, the gold grade upgrades by approximately 15%.

## Western Lens

Hole TNY005W1 (assays pending), drilled to test the continuity of the Hera northerly plunge has now been completed with strong copper-lead-zinc mineralisation observed. This result, together with strong results from hole HRD020 and HRD014 is interpreted to now link the Far West Lens mineralisation with the previously identified Hays-Werners Lens to a form a single, continuous gold plus base metal 'Western Lens' (see drill plan included with this report).

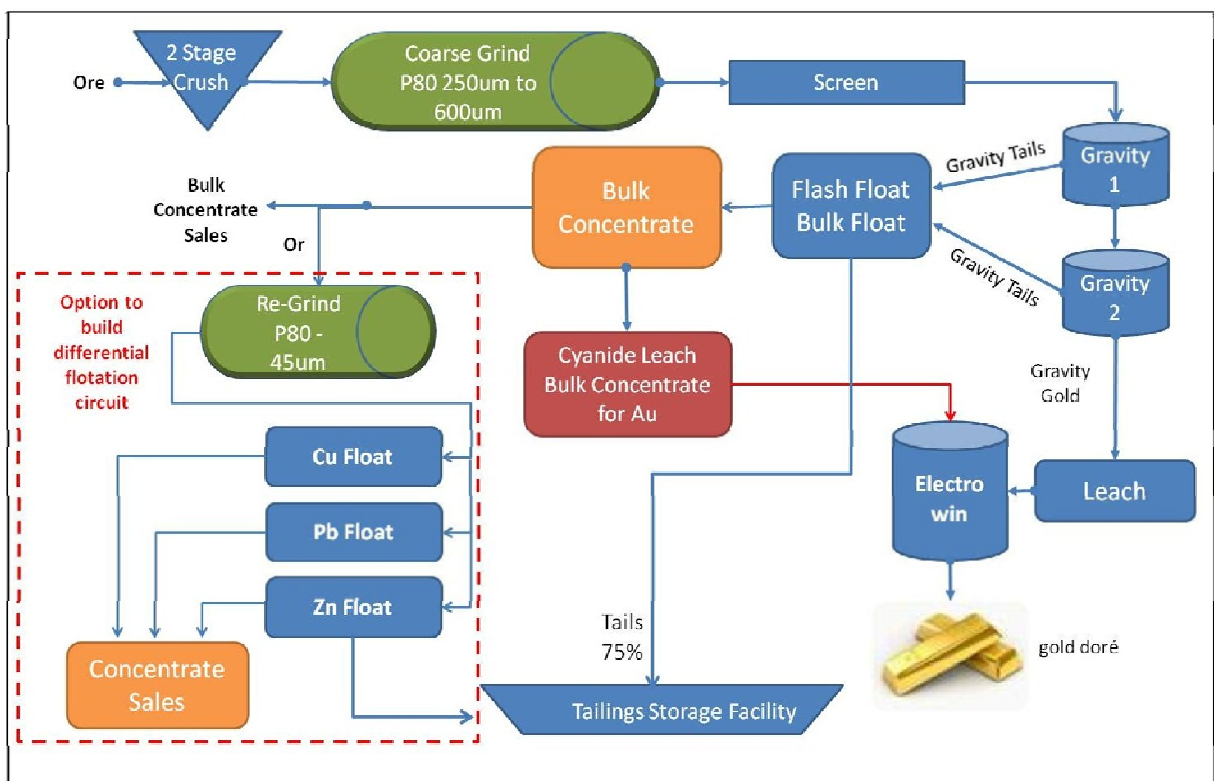
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## Hera Flow Sheet

The initial round of metallurgical test work and comparative process plant costings has been completed. This work has now finalised the preferred Hera process flow sheet as per below:

- Coarse grind (250-600µm)
- Gravity Gold circuit to gold doré
- Flotation of gravity tail to produce bulk sulphide concentrate
- Cyanide leach of bulk sulphide concentrate to gold doré
- Wash and sale of bulk sulphide concentrate.

The summary flow sheet is presented below;



The flow sheet is optimised to the Hera project on the basis of;

- The coarse gold in the Hera ore is strongly amenable to high gravity recoveries at coarse grinds (60 - 80% gravity gold recovery in testwork)
- The coarse grind circuit reduces the capital and operating expenditure requirements for the plant.
- A bulk float circuit reduces the CapEx, water & power requirements to the plant in comparison to a standard differential float. The preferred flow sheet also retains the flexibility to add a differential float to produce Pb, Zn & Cu float products, at a future date.
- The cyanide leach of the bulk concentrate maximises the on-site gold production as gold doré bars.

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## RC drilling programme

As part of the DFS process, YTC will shortly commence a +4000m RC drilling programme to:

- sterilise the preferred tailings dam site
- test the near surface expression of the Hera deposit, and
- test the southern extensions of the Hebe-prospect mineralisation, where the mineralisation trends into the eastern parts of the Zeus gravity response

RC collar positions are shown over gravity image and contours in the drill plan appended to this report.

## DFS Summary

Final mine design, mine planning and mine geotechnical consultants have been engaged and have commenced background review pending the receipt of the Hera resource statement.

A final round of metallurgical test work will commence shortly to optimise the preferred flowsheet.

Environmental studies have been initiated for inclusion into the DFS and the associated Development Applications. In large part these studies are upgrades to existing studies completed as part of the existing Part 5 (Exploration Decline) application and approval.

Studies underway include;

- transport/traffic
- flora and fauna
- groundwater
- heritage

The DFS is expected to be finalised in mid 2010.

## HERA PROJECT - EXPLORATION

Exploration activities in the quarter have focused on the processing of a detailed gravity survey, drill testing for extensions to the Hera Deposit and initial drill testing of the new Zeus gravity anomaly, located 1.5km south of the Hera Deposit.

### Gravity Survey

YTC has completed the initial processing of a major gravity geophysics survey covering the highly prospective Nymagee - Hera corridor.

The gravity technique has historically proved highly effective in the Cobar Basin for directly identifying the location of 'Cobar style' sulphide ore deposits.

The gravity survey was conducted on 100m x 100m survey stations and the data has now been processed to account for terrain and regional gradient effects.

The survey clearly indicates numerous untested gravity high responses, in particular:

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- The Hera Deposit has a discrete gravity anomaly response. This is consistent with the successful application of the gravity technique to other Cobar style ore systems, most notably the CSA Deposit;
- The Zeus target, a gravity-high located 1.5km south is of similar size, shape and strength to the Hera deposit response;
- A strong gravity-high to the immediate north of the Nymagee Copper Mine. This anomaly has only been partially tested by previous shallow RC drilling;
- A strong, untested gravity-high to the immediate south and south-east of the Nymagee Copper Mine;
- A strong, untested gravity-high to the immediate west of the Nymagee Copper Mine, and;
- A strong, untested gravity-high to the south of the Zeus Anomaly. This response is yet to be closed off and will require an extension to the original survey;

A plan of the entire gravity survey area, together with gravity anomalies nominated for further exploration and drill testing, is included with this report.

## Exploration Drilling

### Zeus Gravity Anomaly

As reported the December quarterly report, initial drill testing of the western Zeus gravity anomaly with two holes, ZDD001 and ZDD002, intersected strong alteration with weak base metal sulphide mineralisation.

Best results were from hole ZDD002:

**ZDD002\*: 2m @ 1.2% Zn, 0.1% Cu and 0.57% Pb from 385m**

YTC has now completed a further 2 exploration holes, ZDD003 & ZDD004 on the western margin of the Zeus anomaly.

Each hole intersected broad zones of quartz veining, silicification and disseminated iron-sulphides, however no significant base metal or gold mineralisation was observed. Assay results for each of these holes is pending.

YTC considers the Zeus response has only been partially tested, and an RC drilling programme, commencing in April, has been designed to provide a more thorough test of the Zeus anomaly.

### Far West Lens

Four drill holes have now been completed into the Far West Lens in a program designed to target extensions to the high grade gold and base metal mineralisation. The results of two

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diamond drill holes (HRD001 & HRD001W1) into the Far West Lens were reported in the December quarter.

Drilling of the Far West Lens was designed to delineate extensions around the high grade intersection in TNY074AW which intersected:

**TNY074AW: 7.8m @ 15.2g/t Au, 7.5% Pb & 12.5% Zn and 42g/t Ag**

Hole HRD010W1, intersected the Far West Lens approximately 100m below the high grade interval in TNY074AW. Assay results for this hole are pending, however only minor zinc mineralisation was observed.

Hole HRD10W2 intersected the far West lens approximately 70m below and 40m south of hole TNY074AW and intersected weak lead and zinc mineralisation:

**HRD010W2: 3m @ 1.3% Pb & 1.2% from 764.4m**

### Hera North

Hole HRD021 was completed to test for further northerly extensions to the Hera Deposit.

The hole intersected a broad zone of disseminated base metal mineralisation with an internal 1.5m zone of semi-massive lead-zinc sulphides. Assay for hole HRD021 are pending.

A summary of all exploration holes completed and are presented in Table 3 below.

**Table 3: Exploration Drilling – Collar Information**

Hole	GDA_E	GDA_N	DIP	AZI_MGA	Depth	Comments
HRD001	435805	6447355	-64	66	721.7	Far West Lens
HRD001W1	435805	6447355	-64	66	791.8	Far West Lens
HRD002	435832	6447300	-69	79.5	432	Far West Lens – Hole Abandoned
HRD010W1	435832	6447296	-68	68.25	843	Far West Lens
HRD010W2	435832	6447296	-68	68.25		Far West Lens
ZDD001	436752	6445375	-60	75.25	399.7	Zeus Gravity Anomaly
ZDD002	436849	6445382	-60	75.25	477.4	Zeus Gravity Anomaly
ZDD003	436981	6445306	-55	60	400.8	Zeus Gravity Anomaly
ZDD004	436973	6445405	-55	60	426.5	Zeus Gravity Anomaly
HRD021	435869	6447500	-66	67.25	742.3	Hera North

### Hera VTEM Survey

A helicopter borne, time domain electromagnetic (VTEM) geophysical survey has been flown over the Hera deposit as part of a cost-share survey with neighbouring tenement holders.

Results from the survey have been received and are awaiting final processing.

## CORPORATE

### Tasmanian Tin JV Commencement

YTC was pleased to note the commencement on the 18<sup>th</sup> March of an unincorporated Joint Venture between Metals X Ltd (ASX:MLX) and YT Parksong Australia Holding Pty Ltd ("YTPAH" or The Yunnan Tin Group partners) on the MLX Tasmanian Tin Operations.

YTPAH and MLX have established a jointly owned operating company, Bluestone Mines Tasmania Joint Venture Pty Ltd to manage the operations for and on behalf of the Joint Venture Parties.

YTC recognises the logical and beneficial combination of the one of the world's major tin deposits with the world's leading integrated tin mining and processing company.

YTC has worked closely with YTPAH in the introduction, assessment and negotiation of this transaction under an alliance agreement with the Yunnan Tin Group (YTG).

Under the terms of the YTC-YTG Alliance Contract Agreement YTC is now due to receive a \$1.5m success fee.

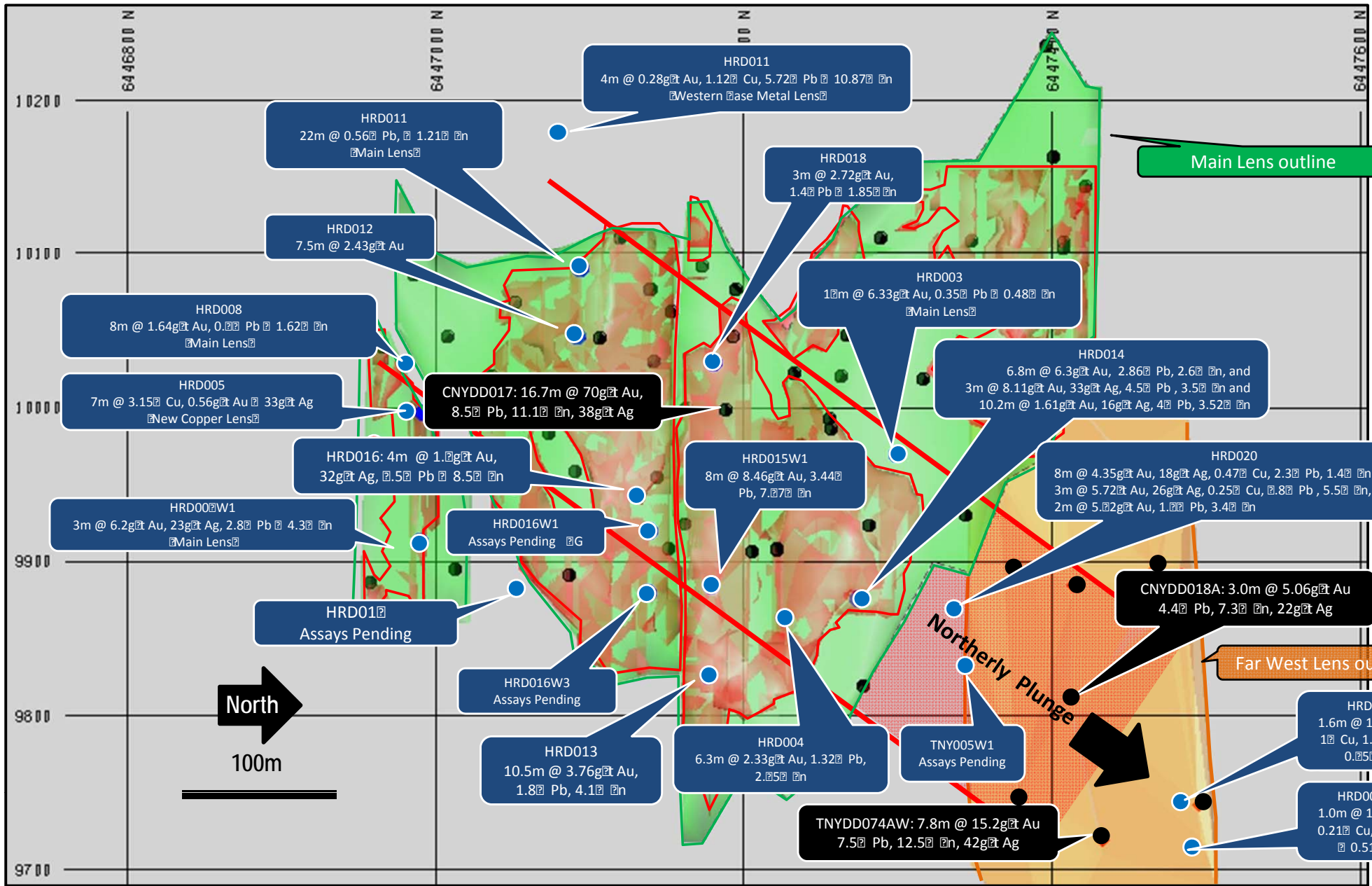
In addition to the success fee, YTC is due an ongoing management fee equal to 5% of YTPAH's Net Profit for the provision of ongoing management, supervision and advice to YTPAH in relation to the Joint Venture.

#### *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.*



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HRD011  
22m @ 0.56g/t Pb, 1.21g/t Zn  
Main Lens

HRD011  
4m @ 0.28g/t Au, 1.12g/t Cu, 5.72g/t Pb, 10.87g/t Zn  
Western Base Metal Lens

HRD018  
3m @ 2.72g/t Au, 1.4g/t Pb, 1.85g/t Zn

HRD012  
7.5m @ 2.43g/t Au

HRD003  
1m @ 6.33g/t Au, 0.35g/t Pb, 0.48g/t Zn  
Main Lens

HRD008  
8m @ 1.64g/t Au, 0g/t Pb, 1.62g/t Zn  
Main Lens

HRD014  
6.8m @ 6.3g/t Au, 2.86g/t Pb, 2.6g/t Zn, and 3m @ 8.11g/t Au, 33g/t Ag, 4.5g/t Pb, 3.5g/t Zn and 10.2m @ 1.61g/t Au, 16g/t Ag, 4g/t Pb, 3.52g/t Zn

HRD005  
7m @ 3.15g/t Cu, 0.56g/t Au, 33g/t Ag  
New Copper Lens

CNYDD017: 16.7m @ 70g/t Au, 8.5g/t Pb, 11.1g/t Zn, 38g/t Ag

HRD016: 4m @ 1.2g/t Au, 32g/t Ag, 0.5g/t Pb, 8.5g/t Zn

HRD015W1  
8m @ 8.46g/t Au, 3.44g/t Pb, 7.07g/t Zn

HRD020  
8m @ 4.35g/t Au, 18g/t Ag, 0.47g/t Cu, 2.3g/t Pb, 1.4g/t Zn and 3m @ 5.72g/t Au, 26g/t Ag, 0.25g/t Cu, 0.8g/t Pb, 5.5g/t Zn, and 2m @ 5.02g/t Au, 1g/t Pb, 3.4g/t Zn

HRD00W1  
3m @ 6.2g/t Au, 23g/t Ag, 2.8g/t Pb, 4.3g/t Zn  
Main Lens

HRD016W1  
Assays Pending

HRD01  
Assays Pending

CNYDD018A: 3.0m @ 5.06g/t Au, 4.4g/t Pb, 7.3g/t Zn, 22g/t Ag

HRD016W3  
Assays Pending

HRD013  
10.5m @ 3.76g/t Au, 1.8g/t Pb, 4.1g/t Zn

HRD004  
6.3m @ 2.33g/t Au, 1.32g/t Pb, 2.05g/t Zn

TNY005W1  
Assays Pending

TNYDD074AW: 7.8m @ 15.2g/t Au, 7.5g/t Pb, 12.5g/t Zn, 42g/t Ag

Far West Lens outline

HRD001  
1.6m @ 1.1g/t Au, 1g/t Cu, 1.8g/t Pb, 0.05g/t Zn

HRD001W1  
1.0m @ 1.2g/t Au, 0.21g/t Cu, 2.4g/t Pb, 0.51g/t Zn

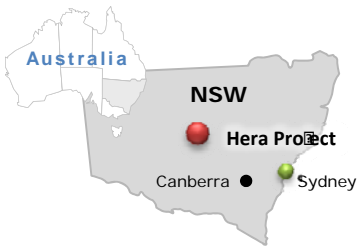
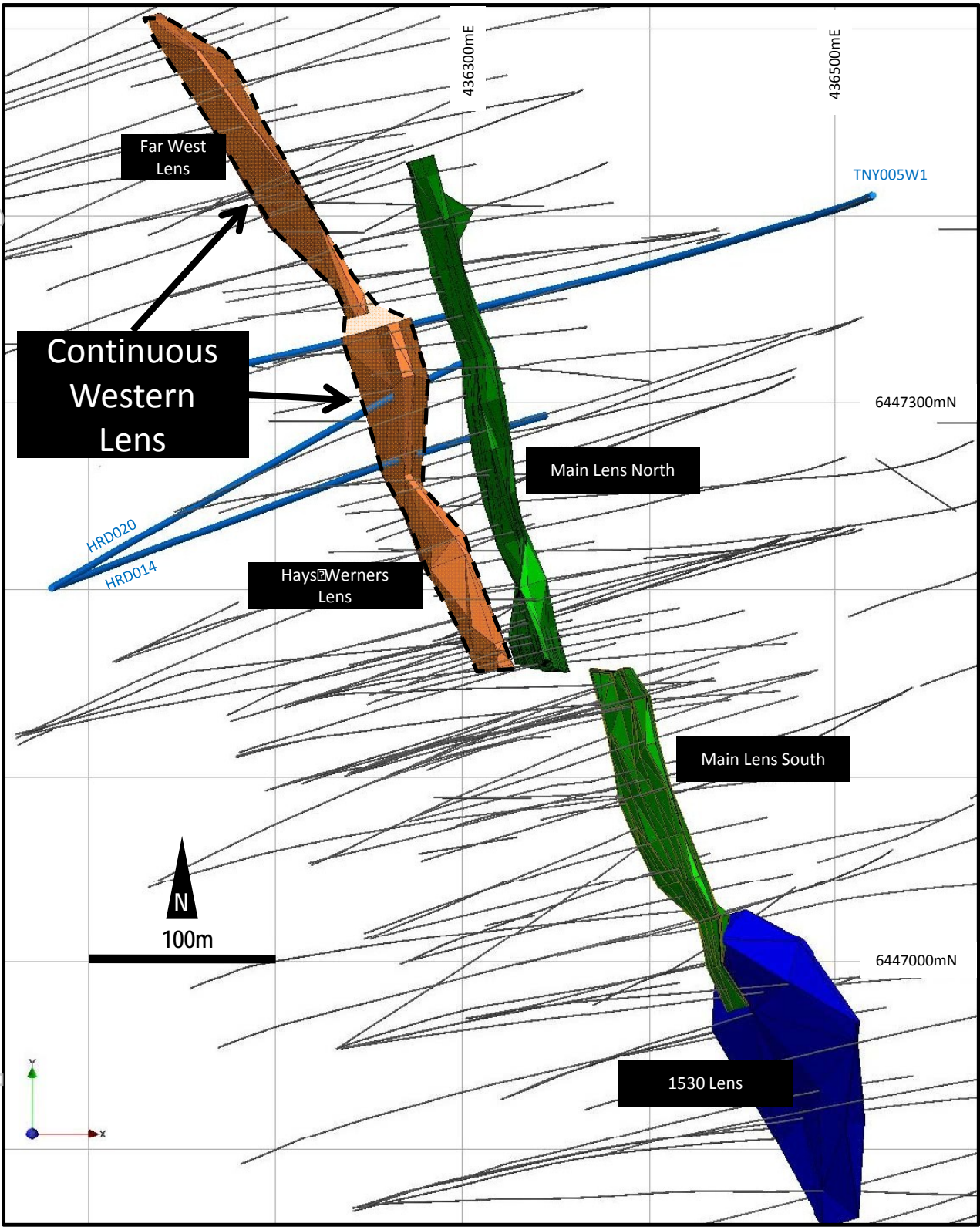


- Existing drill hole prev. companies
- YTC Infill Drill hole: completed
- YTC Infill Drill hole: New Results
- ⊠ Visible Gold observed in drill core

**Hera Project**  
Main Lens and Far West – Lower Section Looking West  
Grid: GDA – Zone 55 Scale as Shown



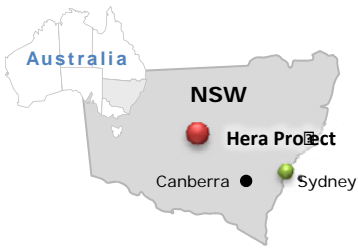
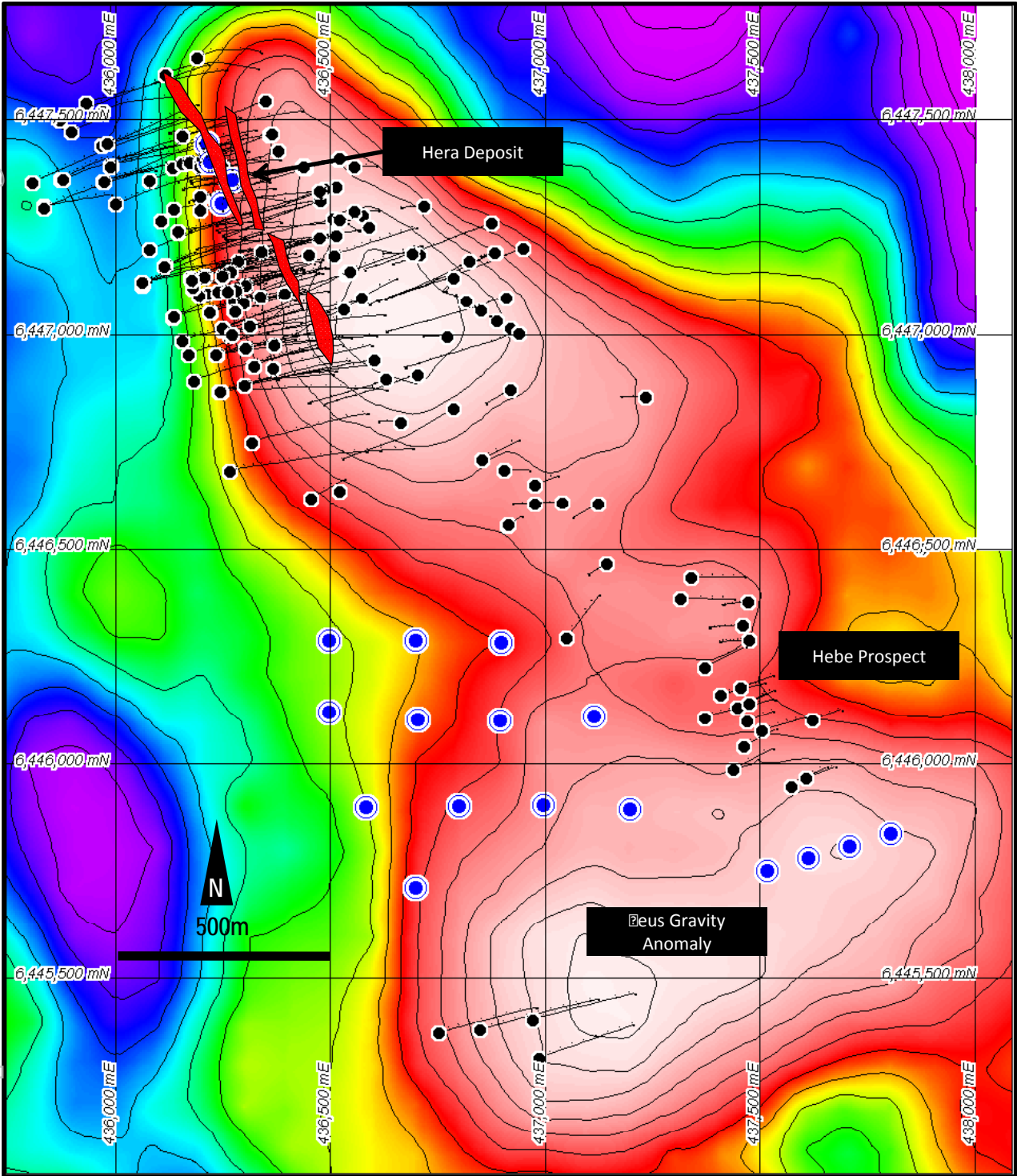
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**Hera Project**  
Drill Plan shown in Main Report and Western Lenses  
Grid: GDA - Zone 55  
Scale as Shown



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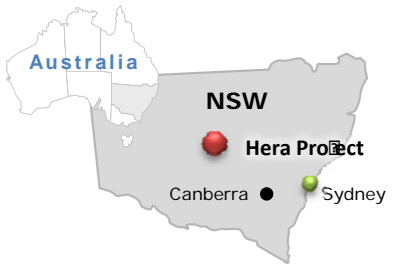
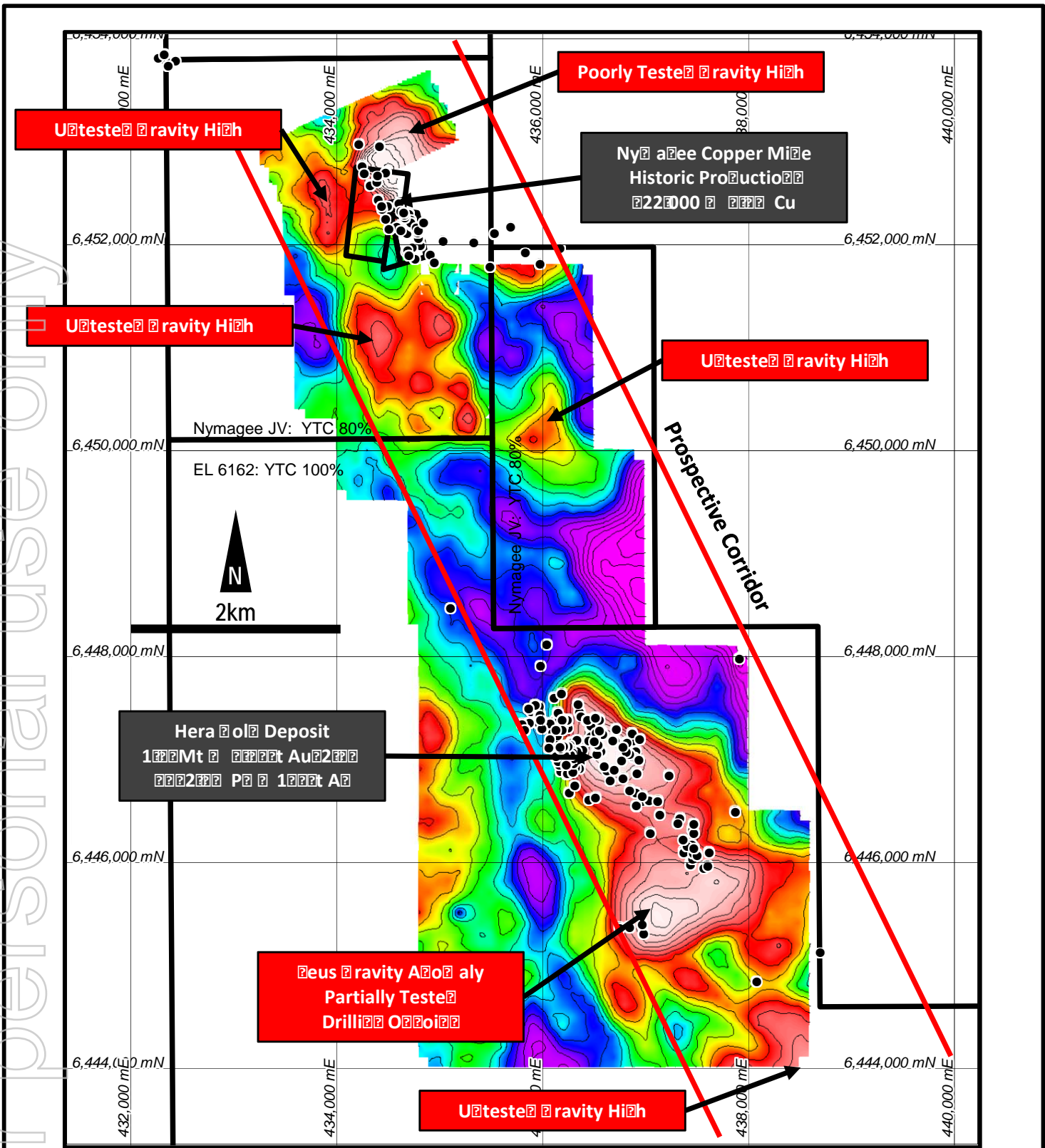


- Existing drill hole
- Planned RC Drill Collar

**Hera Oil Project**  
**Drill Plan – RC Drilling Programme**  
**Over Gravity and aeromagnetic contours**  
Grid: GDA – Zone 55  
Scale as Shown





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**Hera Gold Project**  
 Ground Gravity Survey - Heale to Nymagee  
 Corrected Gravity Map  
 Grid: GDA - Zone 55  
 Scale as Shown



-  Tenement Outline
-  RC Diamond Drill Holes