

YTC'S FIRST DRILL HOLE AT NYMAGEE RECORDS 8.9m @ 7.2% COPPER

YTC Resources Limited ("YTC" or "the Company") is pleased to announce that drill hole NMD001, the first of six planned diamond drill holes beneath the Nymagee Copper Mine has recorded a high-grade copper intersection approximately 55m below the deepest mine level (Level 8). The drill hole recorded:

8.9m @ 7.2% Cu, 24g/t Ag & 0.16g/t Au from 370.5m

The high grade intersection corresponds to the 'Nymagee Lode' position, which was selectively mined in the period 1880 to 1918 to approximately 250m depth recording production of 422,000t @ 5.8% Cu (see attached long section and cross section).

YTC has also completed a wedge hole, NMD001W1, approximately 30m above NMD001, to test the vertical continuity of the copper lode. The Company is pleased to report that hole NMD001W1 intersected massive copper and iron sulphides from 346.8m to 352.3m and appears to be of similar grade and width to the intersection in hole NMD001.

The Company also believes the Nymagee copper mineralisation has strong affinities to the world class CSA Copper Mine, located approximately 90km north along strike, which has a recorded production of >1.5Mt of copper.

YTC currently has two drill rigs operating on the Nymagee Copper Mine and a third drill rig is actively drilling exploration targets on the Hera Project. The current programme of 6 drill holes for the Nymagee Copper Mine will now be expanded.

Implications for the Hera DFS

YTC's initial drill programme at the Nymagee Mine has been designed to target resources complementary to the Company's Hera Project, located only 4.5km to the south.

The potential to integrate high grade copper feed from the Nymagee Mine into the proposed Hera plant means that these initial results have immediate positive implications for the Company's proposed development of the Hera gold-base metal deposit currently under assessment in the Hera DFS.

YTC considers these results present a strong economic case to complement the Hera mine development by the future inclusion of ore-feed from the Nymagee Mine. Additional resource drilling, metallurgy and mining studies will be required for the inclusion of the Nymagee mineralisation into a final mining study. This work can be completed over the next two quarters whilst awaiting mine permitting at Hera.

Footwall Zones

Hole NMD001 is the first hole beneath the mine drilled from the eastern side of the Nymagee Mine, and the hole also identified a number of broad, lower grade 'Footwall Zones' of copper mineralisation. The Footwall Zones record intersections of:

- **41.4m @ 0.25% Cu from 132.8m**
- **24.4m @ 0.43% Cu from 234.6m**
- **86.3m @ 0.35% Cu from 284.2m**

Additional drilling will be designed to further assess the potential of the Footwall Zones to form a low-grade, bulk-tonnage ore-body.

Nymagee Drilling Update

In addition to hole NMD001W1, YTC has also completed hole NMD007, approximately 250m north of hole NMD001 and targeting 50m below the deepest historic mine level. NMD007 intersected the Nymagee Lode position as a broad zone of stringer and disseminated iron and copper sulphides from 361-387m. The hole also passed through lower grade Footwall Zones from 264-277m and from 292-357.5m.

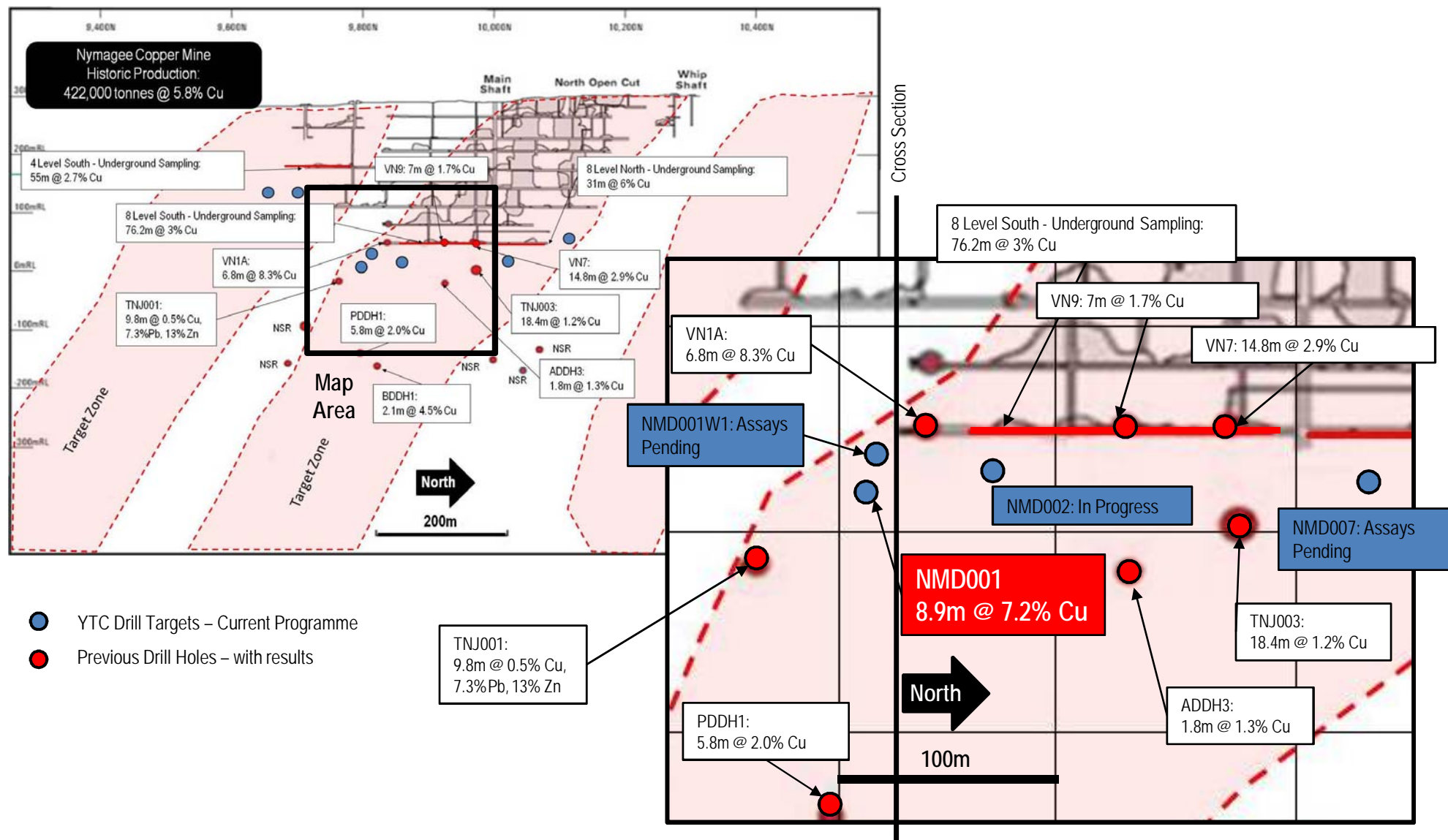
The Nymagee Mine drill holes are being selectively cased with a view to completing 3D downhole EM in the next quarter.

YTC's CEO Rimas Kairaitis said:

"This is a very exciting result and identifies Nymagee as a very large copper system. This hole confirms the continuity of the high grade Nymagee copper system below the historic workings and gives increasing confidence that the Nymagee Mine will evolve to complement the proposed development of the Hera Deposit, located 4.5km to the south. Also of considerable interest is the broad, low-grade copper mineralisation on the eastern side of the lode. The footwall lodes indicate a very large copper mineral system and may form a low-grade, bulk tonnage exploration target"

Competent Persons Statement

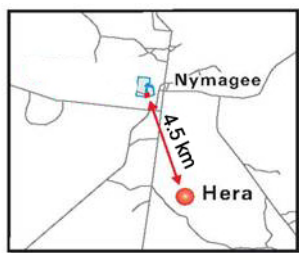
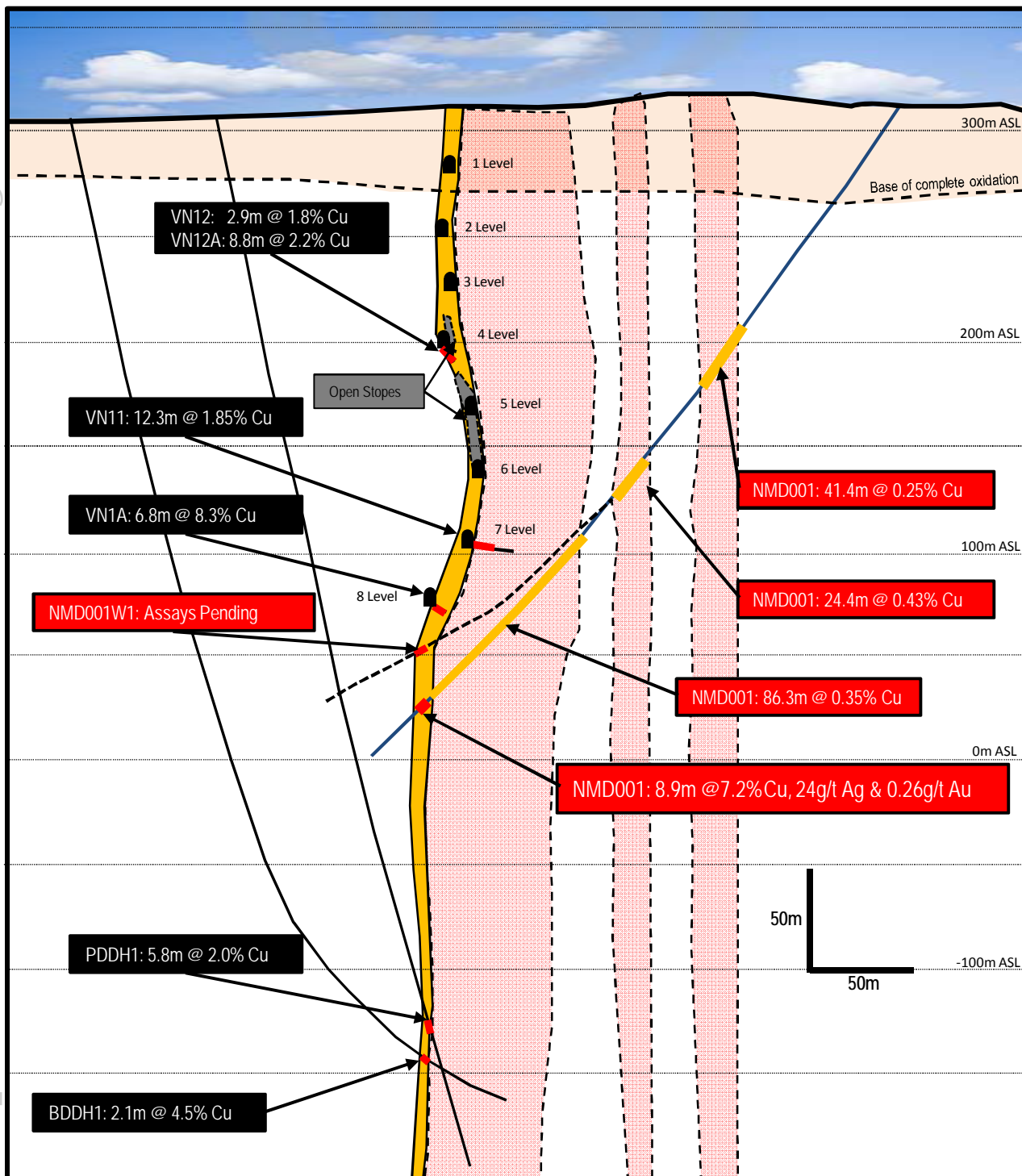
The information in this report that relates to Exploration Results is based on information compiled by Rimas Kairaitis, who is a Member of the Australasian Institute of Mining and Metallurgy. Rimas Kairaitis has sufficient experience which is relevant to the style of mineralisation and type of deposit 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.



Nymagee Copper Mine – Long Section looking West

NMD001 – Hole Location

Grid: Local - Scale as Shown



LOCATION PLAN

Nymagee Copper Mine

Cross Section looking North

Grid: Local- Scale as Shown



About the Nymagee Joint Venture

YTC Resources purchased an 80% interest in the Nymagee Mine Joint Venture from CBH Resources as part of the Hera Project purchase transaction in September 2009.

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

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

YTC is the manager and operator of the Joint Venture and is currently sole funding the Joint Venture. If YTC continues to sole fund, it will earn an additional 1% interest for every \$75,000 of further Joint Venture expenditure, to increase its Joint Venture interest to a maximum of 90%.



Two drilling rigs currently testing the Nymagee Copper Mine

About the Hera Gold Project

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 is progressing a Definitive Feasibility Study ('DFS') on the Hera Project to establish a shallow underground mine producing gold, silver, lead, zinc and copper.

YTC consider 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.



Location of YTC's Hera Project with major NSW Mineral Deposits