2 Corporation Place
Orange, NSW 2800
T: +61 6361 4700
F: +61 6361 4711
Email: office@ytcresources.com
Web: www.ytcresources.com

NYMAGEE DRILLING UPDATE

- **NYMAGEE DRILLING INTERSECTS HIGH-GRADE LEAD-ZINC-SILVER LENS**
- **STRONG COPPER RESULTS WITH GOLD CREDITS FROM NYMAGEE MINE PILLARS**

YTC Resources Limited ("YTC" or "the Company") is pleased to announce further strong results from the ongoing drilling programme beneath the Nymagee Copper Mine. The programme commenced in August 2010, with the first drill holes discovering high grade copper as massive and semi-massive sulphides approximately 55 metres below the deepest mine level (level 8) of the historic Nymagee Copper Mine. To date 18 diamond drill holes have been completed by YTC, with many of these drill holes intersecting high grade copper. The Company has now demonstrated vertical continuity of high grade copper mineralisation to approximately 165m below the deepest levels of the historic Nymagee Copper Mine. The mineralisation remains open at depth.

The continuity, grade and width of the intersections to date infer that Nymagee would be readily mineable by standard bench stoping methods. Based on the 1974 historical estimate of remnant mineralisation (refer YTC's announcement on 25 June 2010), YTC believe both the remnant pillar mineralisation and the unmined lead-zinc-silver lenses within the historical Nymagee Mine will make a substantial contribution to an expanded mining operation contemplated at Nymagee.

Results from the drilling of parent and wedge holes NMD015, 15W1 & 15W2 have recorded further strong copper intersections within the Nymagee Main Lode, whilst also intersecting a high-grade **lead-zinc-silver lens** on the western side of the Nymagee Main Lode.

NMD015W2 was drilled through the remnant pillar between the historic 7 and 8 levels. The remnant pillar mineralisation recorded high grade copper mineralisation with significant gold credits:

- **5.3m @ 3.5% Cu and 0.30g/t Au from 303.7m**

The hole continued west to intersect a western lead-zinc-silver lens which recorded:

- **8.0m @ 4.6% Pb, 7.3% Zn, 26g/t Ag and 0.34% Cu from 325m, and**
- **3.3m @ 6.1% Pb, 11.7% Zn, 51g/t Ag and 0.24% Cu from 346.7m**

Hole **NMD015W1** also passed through the Nymagee Main Lode as a remnant pillar between the historic 7 and 8 levels, however the hole failed to reach target depth and was re-drilled as NMD015W2. The Main Lode intersection in hole **NMD015W1** recorded:

- **5m @ 4.3% Cu, 21g/t Ag and 0.55g/t Au from 301m**

The parent hole **NMD015** intersected the Nymagee Main Lode approximately 30m below the 8 level and recorded the following intersections:

- **36m @ 1.7% Cu from 334m, including**
- **2m @ 4.5% Cu from 353m**

NMD015 also passed through the **lead-zinc-silver** lens on the western side, intersecting:

- **6m @ 2.2% Pb, 4.2% Zn, 36g/t Ag and 0.6% Cu from 370m**

NMD015 also identified a previously **unknown copper lens** on the western side of the lead-zinc-silver lens as the intersection:

- **6m @ 2.0% Cu and 19g/t Ag from 385m**

2 Corporation Place
Orange, NSW 2800
T: +61 6361 4700
F: +61 6361 4711
Email: office@ytcresources.com
Web: www.ytcresources.com

YTC has interpreted the position of the western lead-zinc-silver lens from level mapping completed by previous explorers. The Company believes the lens has potential to represent a substantial addition to a future Resource at Nymagee. These intersections, together with the interpreted position of the western lenses, are shown on both long section and cross sections included with this release.

YTC's aggressive drilling program at Nymagee continues to provide the Company with encouragement that the Nymagee copper mineralisation is evolving to a considerably larger, Cobar style ore system akin to the world class CSA Copper Mine, located approximately 90km north along strike, which has a recorded production of >1.5Mt of copper.

YTC's CEO Rimas Kairaitis said: *"Holes NMD015W1 and NMD015W2 represent the first YTC holes through the historic mine pillars. It is very encouraging to not only intersect high grade copper with gold credits, but also to confirm the presence of a high grade lead-zinc-silver lens on the western side of the Nymagee Main Lode. Drilling at the Nymagee Mine continues to discover new zones of mineralisation. The existence of high grade lead-zinc-silver lenses in the upper part of the system is very consistent with the CSA model, and would likely be readily treatable in the proposed Hera process plant. We look forward to further intersections through this zone as we continue the evaluation of the Nymagee mineral system."*

YTC considers the Nymagee deposit has the potential to be mined and treated under an expanded development scenario in conjunction with the Company's Hera Project. The Hera and Nymagee deposits have the potential to produce significant quantities of copper in concentrate, in addition to gold, silver, lead and zinc under an integrated development.

The Company continues to carry out its aggressive exploration campaign at both Hera and Nymagee deposits. YTC now has 2 drill rigs operating at Nymagee and 2 drill rigs 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.

2 Corporation Place
Orange, NSW 2800
T: +61 6361 4700
F: +61 6361 4711
Email: office@ytcresources.com
Web: www.ytcresources.com

Table 1: Collar summary for drill holes in this release

Hole	GDA_E	GDA_N	DIP	AZI_MGA	Depth	Comments
NMD0015	434994	6452187	-55	252.5	412.2	To test approx 30m below 8 level
NMD015W1	434994	6452187	-55	252.5	320	To test mine pillar between 7 and 8 level
NMD015W2	434994	6452187	-55	252.5	390.6	To test mine pillar between 7 and 8 level

Table 2: Intersection summary for drill holes in this release

Hole	From (m)	To (m)	Intercept (m)	Est true width (m)	Cu (%)	Pb (%)	Zn (%)	Ag (g/t)	Au (g/t)	Comments
NMD015	334	370	36	24	1.7	0.1	0.2	8	-	Main Lode
Including	353	355	2	1.3	4.5	0.1	0.4	28	0.19	
NMD015	370	376	6	4	0.6	2.2	4.2	36	-	Pb-Zn-Ag lens
NMD015	385	391	7	4.2	2.0	0.14	0.36	19	0.11	Western Cu lode
NMD015W1	301	306	5	4.3	4.3	-	0.12	21	0.55	Main Lode
NMD015W2	303.7	309	5.3	4.3	3.5	-	0.1	15	0.30	Main Lode
NMD015W2	325	333	8	6.4	0.34	4.6	7.3	26	-	Pb-Zn-Ag lens
NMD015W2	346.7	350	3.3	2.7	0.25	6.1	11.7	51	-	Pb-Zn-Ag lens

2 Corporation Place
Orange, NSW 2800
T: +61 6361 4700
F: +61 6361 4711
Email: office@ytcresources.com
Web: www.ytcresources.com

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. YTC has subsequently earned a 90% interest, through sole funding exploration expenditure.

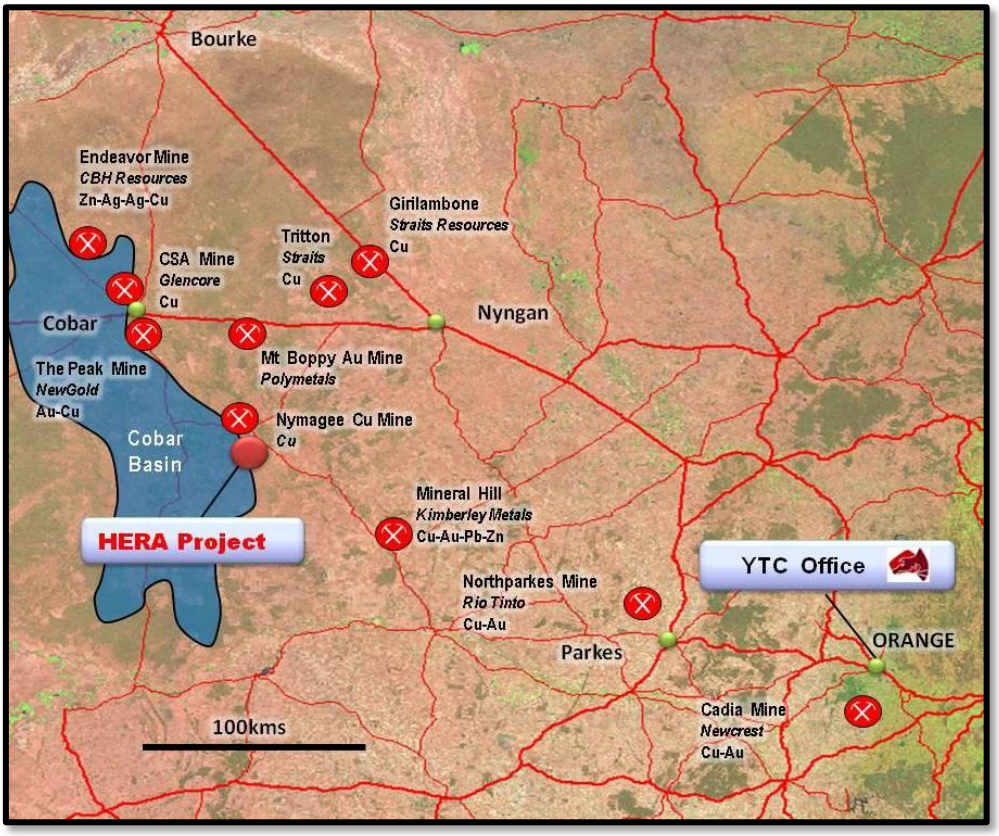
The Nymagee JV tenements adjoin immediately north of YTC's 100% owned Hera gold-base metal Project.

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

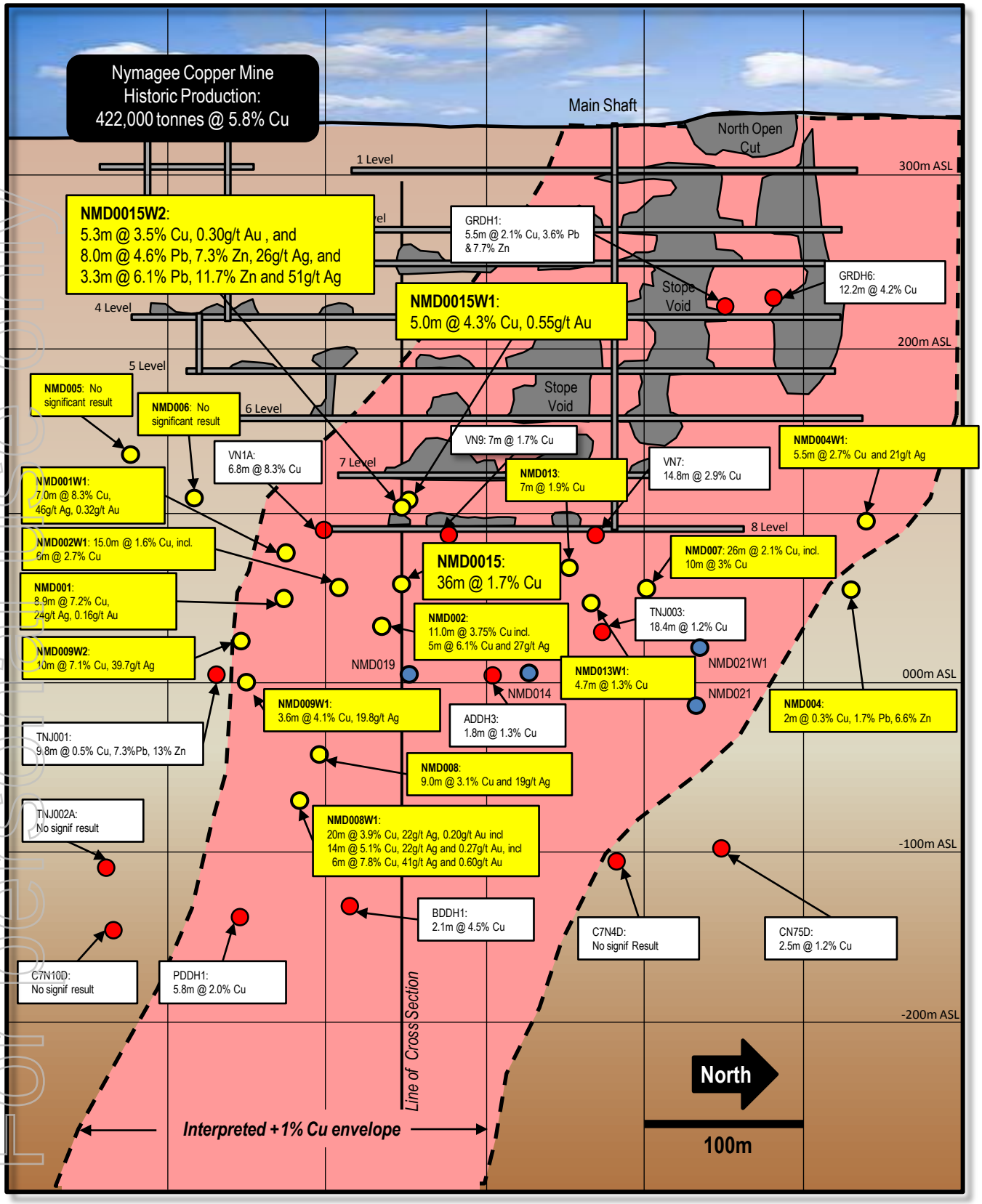
The Nymagee Mine Joint Venture includes the following Exploration Licences and Mining Leases which cover both the historic Nymagee Copper Mine as well as linking the tenement coverage of the Hera-Nymagee corridor.

- 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 evaluating the Nymagee mineralisation with a view to delivering and expanded Feasibility case to allow for the combination of the Nymagee and Hera mineral systems in an expanded mining scenario.



Location of YTC's Hera & Nymagee Projects with major NSW Mineral Deposits



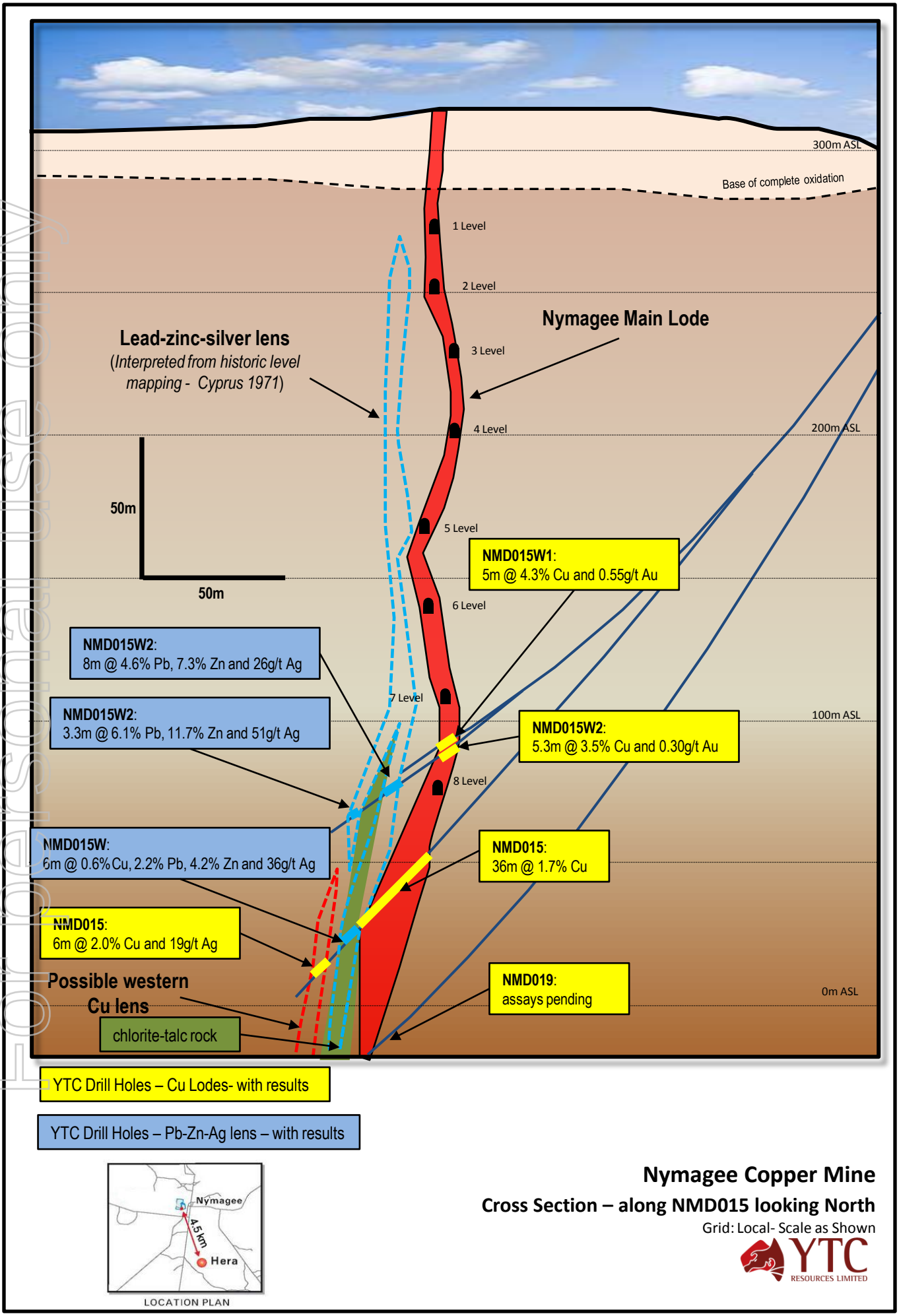
Nymagee Copper Mine

Long Section – Main Lode looking west

Grid: Local - Scale as Shown

- Previous Drill Holes – with results
- YTC Drill Holes – Current Programme - with results
- YTC Drill Holes – Current Programme - Assays Pending

YTC RESOURCES LIMITED



Nymagee Copper Mine

Cross Section – along NMD015 looking North

Grid: Local- Scale as Shown

YTC RESOURCES LIMITED