



## NYMAGEE METALLURGY – INITIAL POSITIVE RESULTS

### PRELIMINARY METALLURGY TESTWORK ON NYMAGEE MINERALISATION SHOWS VERY HIGH COPPER RECOVERIES TO A SALEABLE CONCENTRATE

YTC Resources Limited ("YTC" or "the Company") is pleased to announce that it has completed preliminary flotation test work on the Nymagee copper mineralisation as part of the assessment of Nymagee to be combined with the Hera project as an integrated development, which indicates both high recovery rates and a clean, marketable concentrate can be achieved.

The preliminary samples were taken from hole NMD001 (369.5m – 380.6m, 11.1m @ 5.93% Cu and 19.8 g/t Ag) and tested at the METCON laboratories in Sydney.

The preliminary test work included copper rougher flotation at a range of grind sizes. The test work is very favourable on this initial sample, with recoveries in excess of 92% to a concentrate grading >26% copper and recoveries in excess of 98% using a finer grind size. At this early stage no cleaner flotation tests have been conducted so there may be potential to further improve the concentrate grade.

Grind Size	Recovery	Concentrate Grade
75 µm	98.8%	26.8%
125 µm	98.5%	26.7%
250 µm*	92.7%	26.7%

\*Equivalent Hera Process grind size

The Nymagee mineralisation also contains considerable silver. In this initial test, the recovery of silver to the concentrate is >80%.

A sample of the concentrate has been tested to determine the level of potentially deleterious elements. On this sample none of the penalty thresholds for common penalty elements were reached indicating a clean and marketable concentrate can be produced.

Further samples have been prepared for more comprehensive metallurgical program.

YTC's CEO Rimas Kairaitis said: "It is very pleasing that the Nymagee mineralisation is showing excellent metallurgical performance from this initial test work. To achieve >92% recovery to a saleable concentrate using the relatively coarse Hera grind of 250µm is a great result and infers the Nymagee mineralisation could be readily treated at the proposed Hera process plant in an integrated Hera-Nymagee development".

#### 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.

### 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.

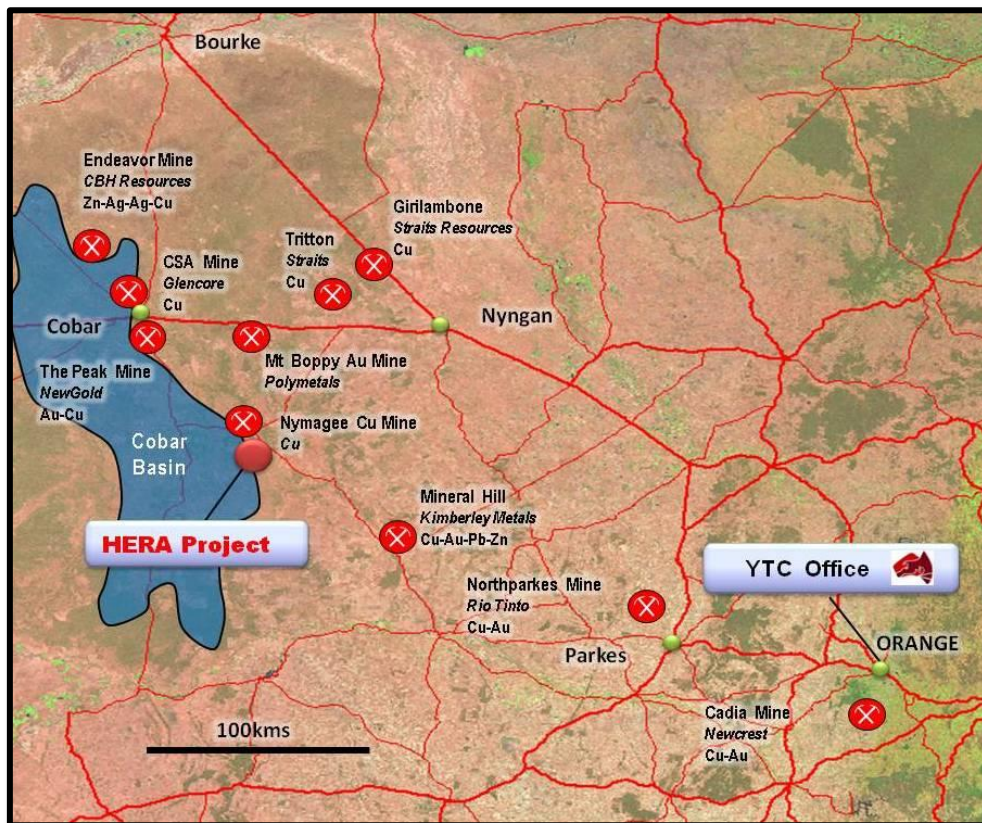
The Nymagee JV tenements adjoin immediately north of YTC's 100% owned Hera gold-base metal Project.

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 an 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