

## CHAIRMAN'S ADDRESS TO AGM

22nd November 2012

For Immediate Release  
Australian Securities Exchange Limited  
Exchange Plaza  
2 The Esplanade  
PERTH WA 6000

At the 2011 AGM we spoke expectantly about the pending formal approval for the development of Hera and our plans to follow that promptly with funding arrangements and a move into development.

As it transpired NSW Government Approval for the development of Hera was not received until 31<sup>st</sup> July 2012, by which time both debt and equity market conditions had tightened significantly.

While it had been possible to commence negotiations on funding Hera well ahead of the formal approval the fact is that no debt or equity provider was prepared to commit financing on acceptable terms until approval was received. Since July management and your Board have worked to secure the best possible finance package for the future of the Company and has been pleased with the level of interest and the competitive nature of the process

I am very pleased to report that as announced this morning, the Board has now approved the signing of a binding Term Sheet with Glencore, for the provision of up to \$155m in funding facilities for the development of both the Hera and Nymagee mines, in exchange for the off take from those operations, other than gold.

There are, of course, a number of Terms and Conditions for the funding facilities and these are spelt out in the announcement which went to ASX this morning, and they include the need for Shareholder Approval. We will work toward holding that meeting as soon as possible.

In addition to the attractiveness of the negotiated funding facilities and its competitiveness compared to other proposals there is the added appeal of working with Glencore, which also has operations in the Cobar region. We expect that there will be tangible benefits to YTC's future mine developments from the Technical Steering Committee established jointly with Glencore as part of the financing arrangements.

We look forward to submitting the Funding Facilities from Glencore to a Shareholders Meeting early in the New Year and to moving into development at Hera as soon as approval is received.



Ladies and Gentlemen, this has not been an easy year for YTC. The delay in receiving government approval, the market conditions in which we have been seeking finance for Hera and therefore the delay in getting into development have all been demanding. Add to these the general disfavor with which the market has viewed small exploration companies and our share price has taken a hit since this time last year.

In addition to the logical focus on securing finance to commence Hera development, other activities demanded management attention. Surface works at Hera were completed, on budget and timetable in April. Our successful drilling programs continued at Hera and Nymagee, we pursued other exploration targets and we moved to deal with what were becoming noncore assets. I also note that in light of market conditions we managed our cash reserves prudently. As I said, this was not an easy year!

We also had changes to our Board since the last AGM with the resignations of two founding directors Richard Hill and Stephen Woodham; both these men made significant contributions to YTC and I thank them for their efforts. Two additions to the Board, Gary Comb and Mark Milazzo, bring experience which will prove invaluable to the Company as we move into development.

I thank you, our shareholders for your support, tolerance and in some cases advice, during the year. I am confident that YTC is now well positioned to achieve the success we all wish for it.

And, it would be extremely remiss if I did not thank Rimas and his whole team, for their unstinting efforts in these difficult and transitional times for the Company.

I will now turn to the formal part of this AGM

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