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HERA DEFINITIVE FEASIBILITY STUDY TO BE EXPANDED

- **Hera DFS scope to be expanded to include the assessment of mining and treatment of high grade copper ores from the Nymagee Copper Mine together with additional resources from the Far West Lens**

- **YTC approves immediate increase to drilling budget, with an expanded programme to commence immediately to follow up initial intercepts beneath the Nymagee Mine:**

    - **8.9m @ 7.2% Cu, 24g/t Ag & 0.16g/t Au from 370.5m**
    - **7.0m @ 8.3% Cu, 46g/t Ag & 0.32g/t Au from 345.4m**

- **DFS costing and initial mine planning for the Hera deposit are well advanced**

- **Project Permitting & Development timeline unchanged**

Following significant recent exploration success in the early stages of the current drilling program at the Nymagee Copper Mine, YTC Resources Limited ("YTC" or "the Company") is pleased to announce that the scope of the Hera Definitive Feasibility Study ("DFS") will be expanded to assess the mining and treatment of high grade copper ores from the Nymagee Copper Mine.

The Company believes the expanded DFS scope can be assessed without alteration to the Hera Project permitting timeline. YTC is currently preparing its final Development Application (DA) & Mining Lease Applications with the expectation of all Project approvals by June 2011.

Recent drilling results at Nymagee have substantially advanced the probability of high grade copper ore feed from Nymagee can be readily incorporated into an expanded mining and processing scenario to produce significant quantities of copper in concentrate, in addition to gold, silver, lead and zinc. The first two holes drilled below the historic Nymagee Mine have intersected:

- **8.9m @ 7.2% Cu, 24g/t Ag & 0.16g/t Au from 370.5m; and**
- **7.0m @ 8.3% Cu, 46g/t Ag & 0.32g/t Au from 345.4m**

In addition, recent drilling outside the margins of the Far West Lens at Hera deposit indicates additional high value ore, readily accessible from planned Hera mine infrastructure, will also fall into an expanded Hera mine plan. All of the Resource in Far West Lens is currently classified as Inferred and hence excluded from the current mining case. The most recent result into the Far West Lens returned:

- **10m @ 10.65g/t Au, 38g/t Ag, 6.52% Pb and 12.83% Zn from 594m.**

Detailed DFS cost estimates on the current Hera deposit mining inventory, indicate that Hera will generate attractive margins of $90-$98/tonne, with the expanded DFS expected to deliver a considerably larger project scale than the current scope of the DFS.

The expanded programme will require an immediate increase in the current drilling programme. The Company has approved a significant lift in its drilling activities to spend an additional $4.8 million on an expanded resource definition programme at both Hera & Nymagee to be completed between now and the Hera project approvals which are expected in June 2011.

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The expanded DFS work programme will include:

- **Metallurgy:** Nymagee core samples have already been submitted to Metcon Laboratories for first pass metallurgical test work. The test work will focus on amenability of the Nymagee ore to produce copper-silver concentrate utilising the existing Hera Project flow sheet.

- **Process Design:** The existing plant design and plan throughput will require re-optimisation to incorporate the expanded production case. The expanded mining case may also result in increased plant process rate.

- **Resource Definition Drilling:** The first two drill holes have demonstrated strong continuity of high grade copper mineralisation within the Nymagee Lode at good mining widths. A substantial programme of resource definition and expansion drilling will be completed with a view to establishing a maiden Nymagee resource estimate and also to scope the potential capacity of the Nymagee Mine to host a much larger copper system.

- **Mining Studies:** The Hera DFS has established good control on key mining costs for decline access and bench stoping extraction. A similar mining technique would likely be applied to the Nymagee ore system. The study would also assess the potential to utilise part of the existing main shaft infrastructure for mine ventilation.

Rimas Kairaitis said "*YTC is excited that recent exploration results from Nymagee and Hera have begun to evolve the Hera Project into a much larger scale mining proposition. At the same time the Hera DFS process to date has demonstrated a project with strong operating margins with relatively modest capital requirements. The Company looks forward to demonstrating a larger scale Project through the expanded DFS whilst maintaining the project's timeline to permitting and development. The upcoming months will require a particularly aggressive programme of resource definition and expansion and I welcome the support of the YTC Board as we continue to demonstrate the world class potential of the Hera & Nymagee and surrounding tenements*".

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HERA DFS UPDATE

Background

The Hera DFS has progressed to a well advanced process flow sheet, and detailed plant, mining and infrastructure costings. All major plant and infrastructure items for the DFS cost estimates were costed by reference to quotes for new equipment, and mining costs were fully tendered.

The mining study was completed by Optiro Consultants with plant and infrastructure studies completed by GR Engineering Services (GRES). The plant and infrastructure costings have been further tendered by YTC to produce optimised costings at +/- 10% including contingency.

Summary

The DFS recommends the Hera Deposit to be mined by single decline access and uphole bench stoping at an optimised mining rate of 350,00tonne pa. The deposit will be mined in a top down mining sequence with selective use of Cemented Rock Fill ("CRF") to increase mining recovery in high grade zones.

Ore will be trucked to surface and processed through a 50tph capacity on-site process plant to produce gold-silver doré and a mixed Pb-Zn-Cu concentrate for sale.

The following table summarises the optimised costs and key outputs for the DFS in its current form. It is the Company's expectation to further refine these outputs through the expanded DFS scope and the incorporation of Nymagee and the Far West Lens as well a substantial increase in the final mining inventory.

Summary Description	Optimised Values
Annual Production	350,000 tpa
Average Gold Equivalent Production	50,233 oz pa
Operating Cost / tonne	$97.10
Operating Cost /oz Au Eq	$676
Operating Margin/tonne	$98/tonne
Pre-Production Mine Capital	$25m
Process & Infrastructure Capital	$34.9m

Permitting Update

The expansion of the DFS is not anticipated to change the permitting and development timeline for the Hera Project. YTC has completed the submission of the Conceptual Project Development Plan ("CPDP") and Preliminary Environmental Assessment ("PEA") documents and is currently finalising the Development Applications ("DA") and Mining Lease Applications ("MLA") with the expectation of receiving all project approvals by June 2011.

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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About the Hera Gold Project

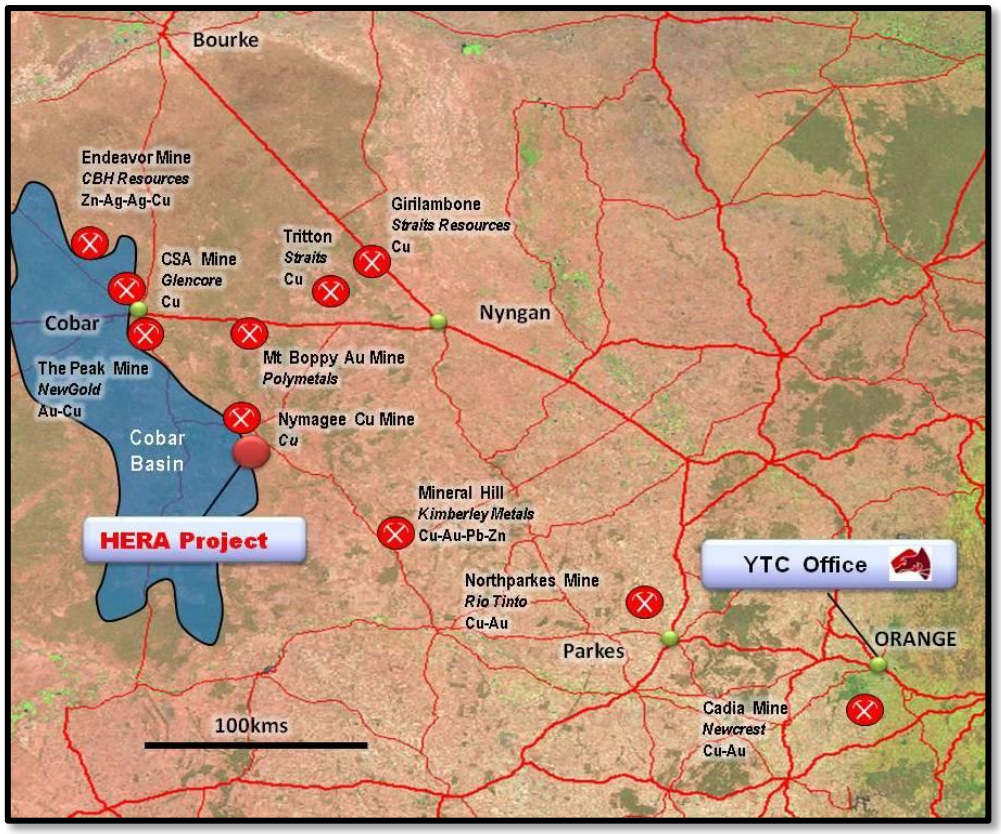
The Hera Project is located 100km south-east of Cobar and is hosted in Cobar Basin rocks which also host the world-class mineral deposits at CSA, The Peak and Endeavor.

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

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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%.

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Appendix 1: Metal Equivalents

This release includes the use of gold equivalents. It is the company's opinion that all the elements included in the metal equivalents calculation have a reasonable potential to be recovered.

Au Equivalent calculation formula = (Metal price x metal grade) ÷ (gold price per oz ÷ 31)

The following metal prices, exchange rates and metal recoveries and payabilities were used in the estimation of "net recoverable ore value per tonne" and for the calculation of a gold equivalent. These values are the same values used in the Hera Resource Estimate released to the ASX on June 15, 2010.

Metal	Price	Metal	Recovery	Payability
Au	US$1125/oz	Au	95%	100%
Cu	US$6,500/t	Cu	79%	97%
Pb	US$1775/t	Pb	82%	95%
Zn	US$1878/t	Zn	87.3%	85%
Ag	US$17.85/oz	Ag to Cu Con	17.5%	90%
AUD/USD	0.85	Ag to Pb Con	55.2%	95%