

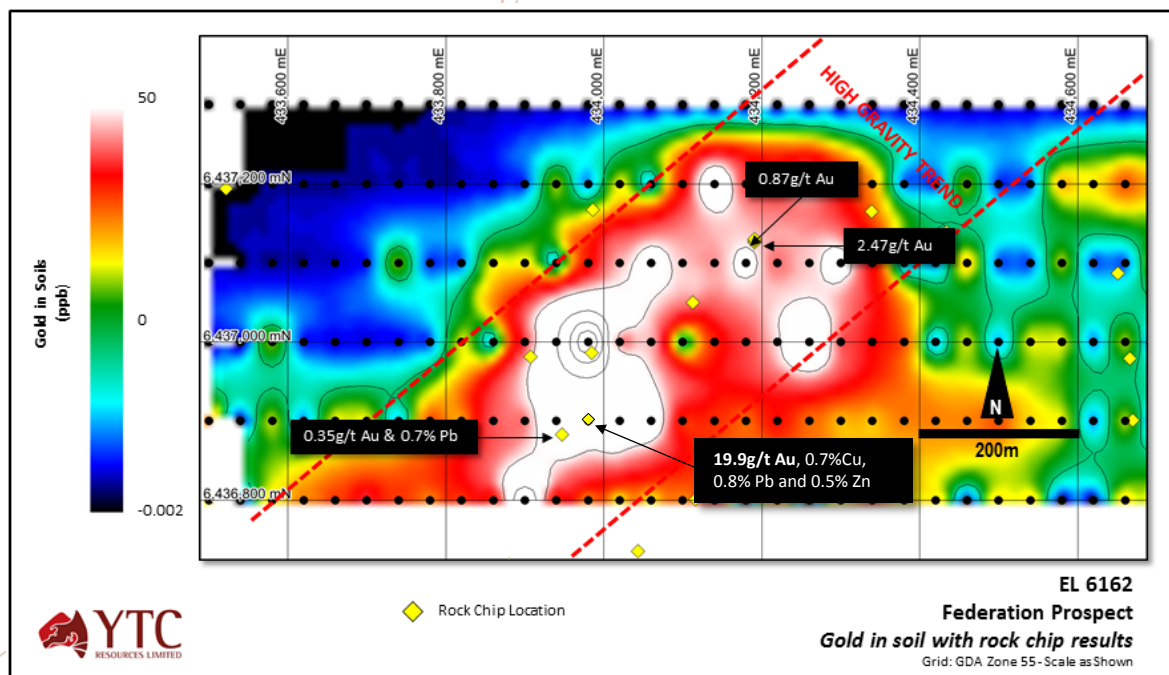
EXPLORATION TO RE-COMMENCE

- Exploration drilling expected to re-commence this week at the Federation gold prospect
- Mapping at Federation had discovered gossan sub-crop grading to 19.9g/t Au

YTC Resources Limited ("YTC" or the "Company") is pleased to advise that exploration drilling on the Hera-Nymagee Project is expected to re-commence this week, with drilling to start at the Federation Prospect, subject to receipt of environmental approvals.

The **Federation Prospect** is located on a gravity-high approximately 12km south of Hera. Exploration in the December quarter highlighted strongly mineralised outcrops with strong rock chip results up to 2.5g/t Au and 0.7% Pb. A subsequent soil survey delineated a coherent north-west trending gold anomaly over 400m at >10ppb Au with peak values at 50ppb Au (refer figure below). These gold-in-soil values are **substantially higher than the gold response over the Hera deposit**.

Further geological mapping and sampling over the peak gold-in-soil anomaly has identified a zone of sub cropping gossan (oxidized sulphide mineralisation) over an area of approximately 30m x 5m, with rock chip results from the gossan grading **19.9 g/t Au**, 0.7% Cu, 0.8% Pb and 0.5% Zn.



YTC's Managing Director, Rimas Kairaitis commented: "We are very pleased at the re-commencement of exploration following a successful period of funding and commencement of the Hera mine development. The Federation target has been selected as our initial high-priority target given strong gold values at surface are very unusual within the Cobar basin setting".

