

HERA PROJECT UPDATE

HERA PROJECT CONSTRUCTION

- Hera Project Mining Lease granted
- EPC Contract for process plant construction signed with Gekko Systems
- Hera underground development to 674 metres
- Accommodation camp construction on schedule for completion in Q3 2013
- Stage 1 Tailings Dam construction underway

EXPLORATION

- 4 exploration drill holes completed at Federation Prospect – assays awaited
- Hera South drilling to commence next week

YTC Resources Limited ("YTC" or the "Company") is pleased to provide an update to activities at the Hera gold and base metal Project.

HERA CONSTRUCTION

YTC commenced the Hera decline construction in January 2013 and full scale construction activities commenced following shareholder approval of the Glencore financing facilities on 15th March 2013.

MINING LEASE GRANTED

YTC is very pleased to have received the Hera Mining Lease (ML 1686), granted on the 27th May 2013. To date YTC has been progressing development at the Hera Project under a pre-existing Part 5 Exploration Decline Approval that was in place when YTC acquired the Hera Project.

EPC CONTRACT SIGNED

YTC has now executed the EPC (Engineering, Procurement and Construction) Contract for the Hera process plant with Gekko Systems of Ballarat, Victoria. YTC has been working closely with Gekko on the flow sheet development and plant design since the Hera Definitive Feasibility Study and is very pleased to have closed the EPC Contract negotiations with Gekko. The EPC Contract is a lump sum, turnkey contract for the construction of the process plant, operating to agreed performance warranties.

HERA DECLINE

The Hera decline construction continues to advance well with April recording a record month of 240 metres against a schedule of 220 metres. The total underground advance is now at 674m representing 91% of project schedule (vs 82% at end of March).

TAILINGS DAM CONSTRUCTION COMMENCED

Following receipt of the Mining Lease, construction has commenced on Stage 1 of the tailings facility.

ACCOMMODATION CAMP

Construction of the Hera Accommodation Camp remains on schedule. Camp footings, electrics and plumbing have been installed with first buildings due in June for a scheduled occupancy in August.



EXPLORATION

FEDERATION DRILLING COMPLETED

Four (4) RC drill holes for a total of 858m were completed at the Federation prospect. The holes were drilled to test robust gold-lead soil anomalism associated with a gravity high and strong gold rock chip values (to 19.9g/t Au). All samples have been submitted to the laboratory and assays are pending.

HERA SOUTH DRILLING

Diamond drilling of the Hera south target is expected to commence next week. The drilling will target a DHEM conductor above broad zones of Pb+Zn mineralisation intersected in previous drilling.

DHEM

The Company is also finalising installation of drill hole casing in preparation for further down hole EM (DHEM) surveys at both Hera and Nymagee. The DHEM surveys are expected to commence the week starting the 10th June. The surveys are being run to better define drill targets for each prospect.

YTC's Managing Director, Rimas Kairaitis commented: *"Development activities at Hera are progressing extremely well. Receipt of the Mining Lease and commencement of works under the EPC contract are significant milestones for the Hera Project. In addition we are excited by the re-commencement the exploration activities and look forward to reporting exploration results as they come to hand"*



Clearing of ROM Pad area

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.

