

# HERA-NYMAGEE PROJECT UPDATE

- Hera underground development advances rapidly and moves ahead of schedule
- Underground development intersects Hera ore body for the first time
- Nymagee North drilling on track to test DHEM target

YTC Resources Limited ("YTC" or the "Company") is pleased to provide an update on development and exploration activities at its Hera -Nymagee Project.

## HERA CONSTRUCTION

Development activities at the Hera Project continue to progress smoothly. Key activities since the last project update include:

#### HERA UNDERGROUND DEVELOPMENT MOVES AHEAD OF SCHEDULE

Continued strong performance in the Hera underground development together with a modified decline design have seen the Hera underground advance move slightly ahead of the project schedule.

Total underground advance for October was 266m for the month or 117% of the schedule. Development advance for November to date is 120% of schedule.

Continued strong underground performance will present opportunities to optimize the ore delivery schedules to present higher grade ore to the process plant earlier than currently scheduled.

# HERA ORE BODY INTERSECTED

YTC is delighted to report that underground development has now intersected the Hera ore body as planned in the first development cross-cut. In this position, the ore body is represented by braided stringers of zinc, lead and copper sulphide mineralisation. Importantly the ore body is positioned exactly as predicted by the geological model and is of similar grade tenor.



Samples of strong zinc-lead and copper sulphide mineralisation from the first cross cut into the Hera ore body





## PROCESS PLANT CONSTRUCTION ON SCHEDULE

The process plant is being designed and constructed under a lump-sum, turn-key EPC Contract with Gekko Systems in Ballarat. Frame construction and construction of key plant modules is proceeding on schedule at Gekko Systems factory in Ballarat. The first of the long lead items, Derrick Screens from USA, has arrived in Australia.

Civil construction activities for the plant have commenced on site.



Rougher float frame assembly nearing completion. Photo taken at Gekko Systems factory in Ballarat

#### **SURFACE EARTHWORKS**

Construction activity continues to focus on Stage 1 of the Tailings Storage Facility (TSF) with five lifts on the tailings dam wall now complete.

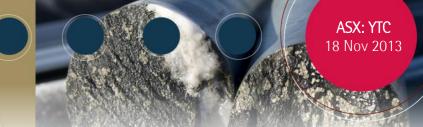
#### ACCOMMODATION CAMP

Construction continues on Stage 2 of the Hera accommodation camp and remains on schedule for completion in December.



Hera Camp showing Stage 2 units under construction at left

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# NYMAGEE NORTH DRILLING

Drill testing of a strong conductor plate target at Nymagee North is on track to intersect the target position this week. Progress has been slower than anticipated due to hole drift requiring correction using a down hole navi motor.

YTC's Managing Director, Rimas Kairaitis commented: "The intersection of the Hera ore body is a very exciting milestone. Importantly the project construction remains on schedule with opportunities to improve our mine schedule if underground performance continues."

#### 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-NYMAGEE PROJECT

The Hera-Nymagee Project represents YTC's flagship Project and consists of the Hera gold-base metal deposit (YTC 100%) and the Nymagee copper deposit (YTC 95%), and is located approximately 100km south-east of Cobar, in central NSW. The deposits are hosted in the Cobar Basin, which also host the major mineral deposits at CSA (Cu-Ag), The Peak (Cu-Au) and Endeavor (Cu-Pb-Zn-Ag).

YTC completed the Definitive Feasibility Study ('DFS") on the Hera Gold Project in June 2011, which confirmed the technical and financial viability of the development of the Hera deposit as a shallow underground mine and processing plant producing gold and silver doré bars and a bulk lead-zinc concentrate for sale. YTC subsequently received Project Approval from the NSW State Government in August 2012 and shareholder approval for a major funding transaction with Glencore in March 2013.

YTC is now in full scale development of the Hera project with first production due in the September quarter 2014.

The Company is also currently evaluating the Nymagee copper deposit, located 4.5km to the north, with a view to demonstrating an integrated development of the Hera and Nymagee deposits.

YTC maintains a commitment to the ongoing exploration of the Hera-Nymagee Project and considers both deposits have the potential to evolve into very large "Cobar style' mineral systems.



Hera Boxcut and Portal

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