YTC RESOURCES LIMITED

ASX: YTC
31 March 2014

HERA-NYMAGEE PROJECT UPDATE

- Hera underground development continues to progress ahead of schedule
- Very strong lead-zinc results from Hera delineation drilling
- Process Plant Construction on schedule
- Strong mineralisation intersected in exploration drilling south of Hera
- Deep exploration drilling commenced at Nymagee targeting high-grade copper

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:

CONTINUED OVER-PERFORMANCE ON THE HERA UNDERGROUND DEVELOPMENT

Underground development rates have continued to be well above schedule. Although underground development for February fell slightly below the schedule due to power station switchover, progress to date in March is currently 120% for the month. Total underground advance now stands at 3093m. The first permanent underground pump station has been commissioned and the third leg of the ventilation shaft is complete.

PROCESS PLANT CONSTRUCTION

The Hera process plant is being designed and constructed under a lump-sum, turn-key EPC Contract with Gekko Systemsof Ballarat. The plant construction is on schedule with commissioning due to commence in July 2014.

Plant civils are largely complete and mechanical installation of plant components is now in full swing. Recent installations include the Tertiary crushers, secondary screen, thickeners the gravity frame and the in-line leach reactor.

Recent photo of construction at the Hera process plant site.

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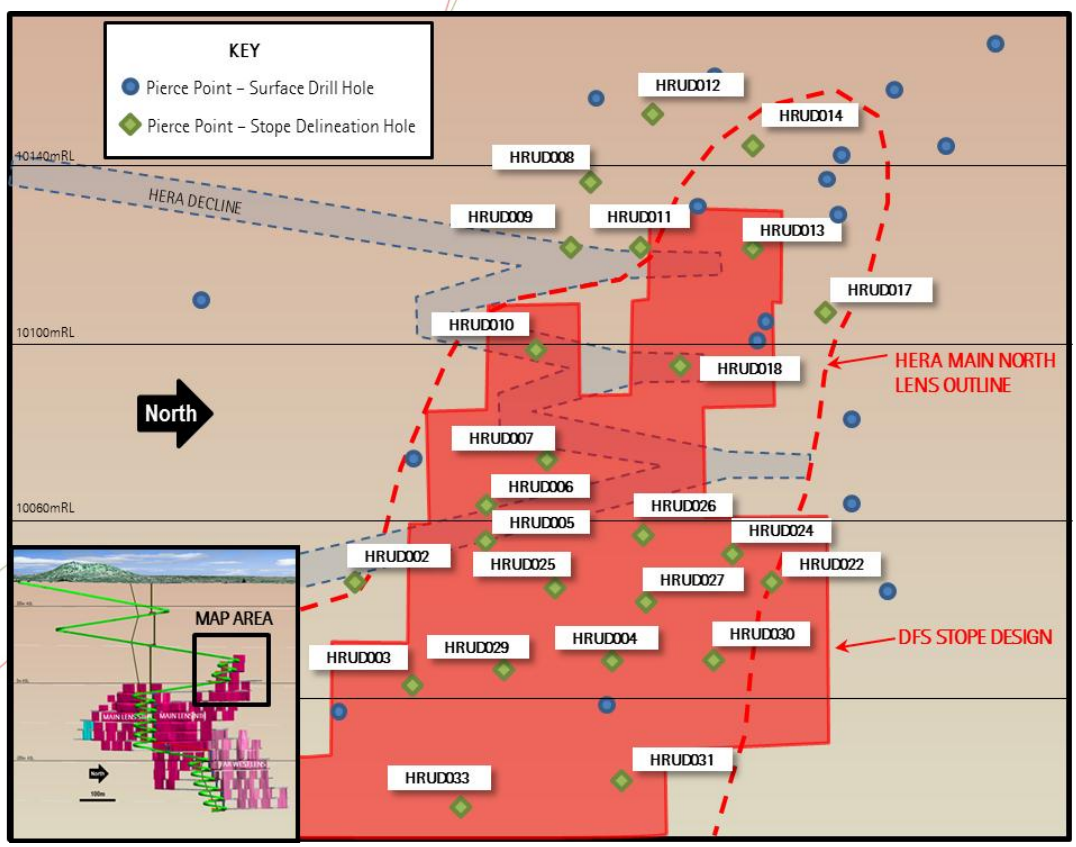
STRONG RESULTS FROM DELINEATION DRILLING

Very strong lead-zinc results have been received from stope delineation drilling of the upper part of the northern Main Lens. This area represents a lead-zinc rich, low-gold section of the Hera ore body and these strong drill results are in-line with expectations.

Results include:

- HRUD006: 6.0m @ 0.20g/t Au, 32g/t Ag, 6.4 %Pb and 12.1% Zn
- HRUD007: 6.0m @ 0.69g/t Au, 23g/t Ag, 3.5% Pb and 5.9% Zn
- HRUD010: 5.0m @ 0.11g/t Au, 14g/t Ag, 2.4% Pb and 6.8% Zn
- HRUD013: 7.0m @ 0.73g/t Au, 26g/t Ag, 2.7% Pb and 3.5% Zn
- HRUD016: 3.0m @ 0.28g/t Au, 40g/t Ag, 6.7%Pb and 9.6% Zn
- HRUD023: 4.2m @ 0.58g/t Au, 27g/t Ag, 6.1% Pb and 11.3% Zn
- HRUD024: 4.0m @ 0.30g/t Au, 15g/t Ag, 4.9% Pb and 8.7% Zn
- HRUD025: 4.0m @ 5.9g/t Au, 26g/t Ag, 6.2% Pb and 10.0% Zn
- HRUD026: 1.5m @ 2.10g/t Au, 30g/t Ag, 7.0%Pb and 12.2% Zn, and
  9.1m @ 0.09g/t au, 17g/t Ag, 4.3% Pb and 8.2% Zn
- HRUD027: 3.0m @ 1.45g/t Au, 28g/t Ag, 5.9% Pb and 10.3% Zn, and
  5.0m @ 1.90g/t Au, 19g/t Ag, 4.5% Pb and 11.8% Zn
  3.0m @ 0.40g/t Au, 52g/t Ag, 7.5% Pb and 7.4% Zn
- HRUD031: 7.6m @ 0.84g/t Au, 41g/t Ag, 7.1% Pb and 10.6% Zn
- HRUD032: 6.1m @ 0.43g/t Au, 35g/t Ag, 5.5% Pb and 9.2% Zn, and
  7.2m @ 1.84g/t Au, 20g/t Ag, 4.2% Pb and 6.7% Zn

These results are shown relative to the Hera decline and DFS stope positions on the long section below.



Long Section of upper Main North Lens – Hera Deposit, looking west.

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HERA EXPLORATION

FIRST RESULTS FROM HERA SOUTH

Results from the strongly mineralised section of hole HRD052W3 at Hera South have been received. The massive sulphide intersection in the hole recorded:

- **HRD052W3: 2.0m @ 0.05g/t Au, 55g/t Ag, 0.8% Cu, 5.2% Pb and 4.2% Zn from 722.4m**

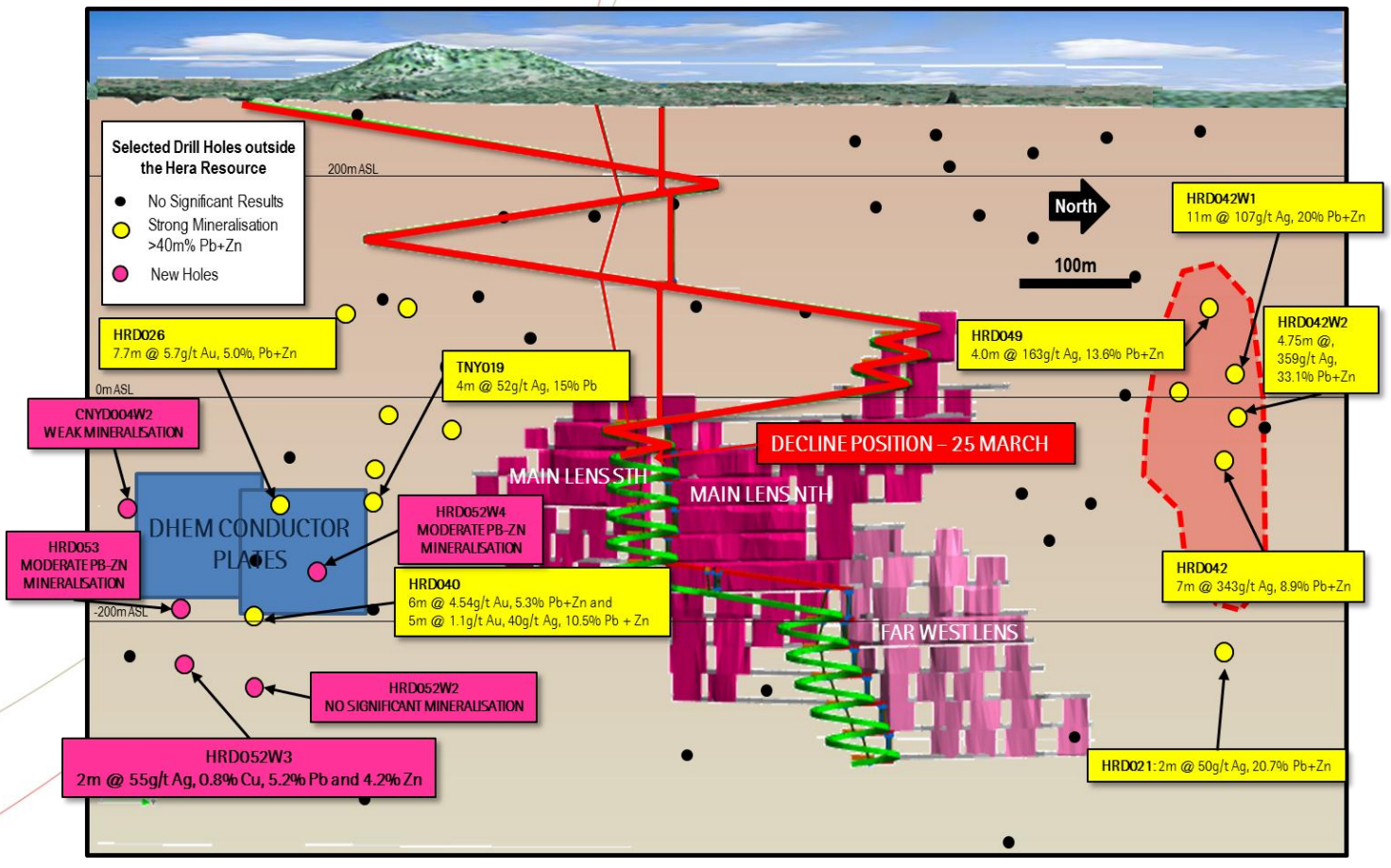
Assays for the less mineralised sections of this hole are still pending.

Follow up drill holes in this zone include HRD053 and CNYDD04W2 as shown in the long section below.

Hole HRD053 was drilled to test the continuity of the mineralisation approximately 80m above hole HRD052W3. The hole intersected moderate vein controlled lead-zinc sulphides from 574-579m and 594-596m. CNYDD004W2 recorded very strong silica alteration over broad intervals but only weak lead-zinc mineralisation.

Drilling in this area has been paused while a programme of Downhole EM (DHEM) is completed on hole HRD053 and to allow for geological interpretation to be completed.

Results at Hera South are considered encouraging and further work will be directed by results from the DHEM and geology interpretation.



Long Section of Hera Deposit showing position of recent drill holes, planned mine development, and drilling results outside the Hera Resource

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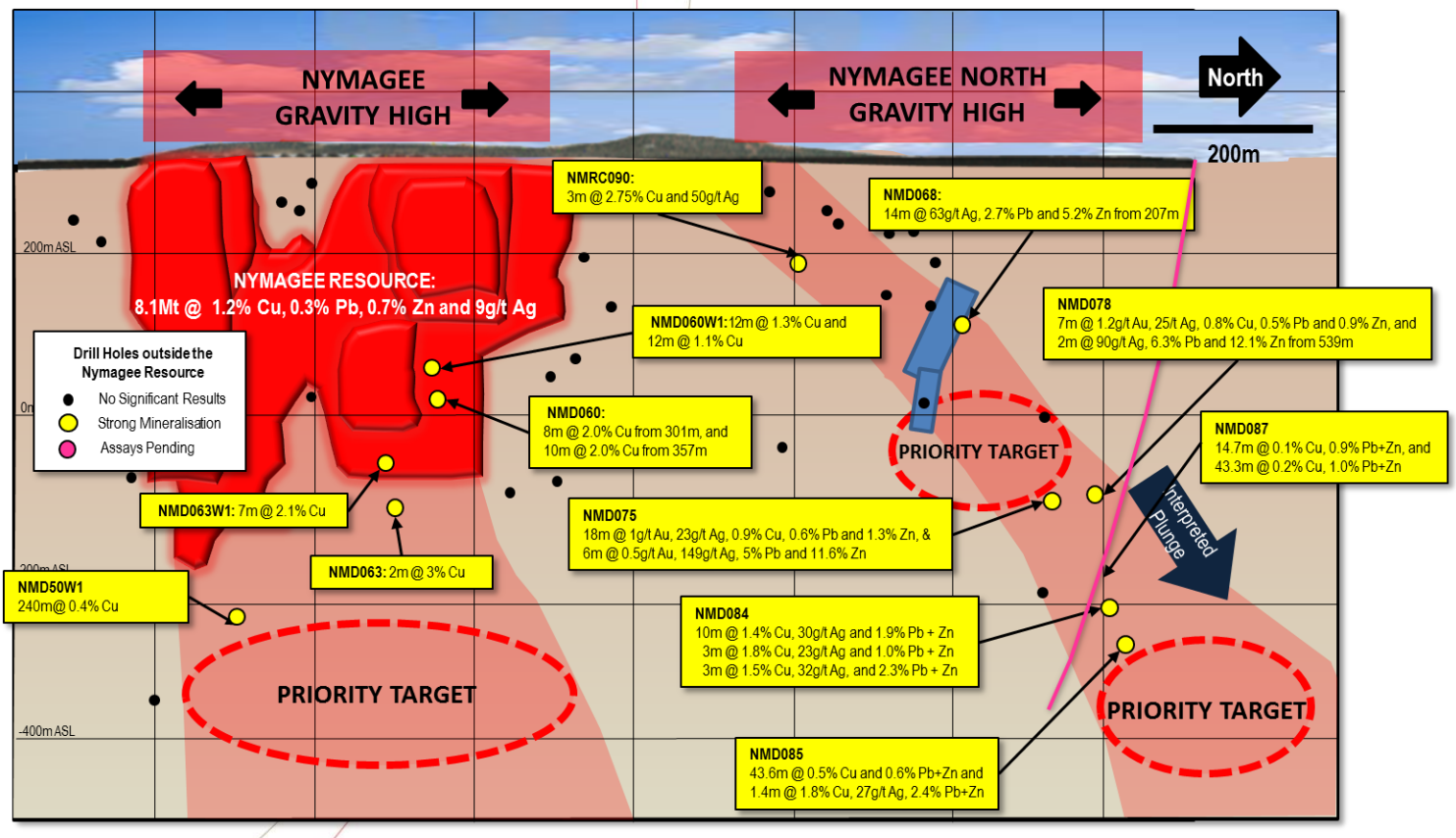
NYMAGEE EXPLORATION

DEEP DRILLING COMMENCED AT NYMAGEE

Drilling has now commenced on a significant programme of deep exploration holes testing for depth extensions beneath Nymagee and Nymagee North.

Previous exploration results by YTC at Nymagee and Nymagee North have provided strong encouragement that the Nymagee mineral system may represent the upper part of a larger Cobar style copper system. The deep drilling will target high grade copper at depth.

The priority target areas for this programme are shown in the long section below:



Nymagee Long Section (looking west) showing position of existing Nymagee Resource, drilling results outside of the Nymagee Resource and priority target areas in current drilling programme.

YTC's Managing Director Commented: "*It is very pleasing to see the strong progress of the Hera Project development, with plant construction on schedule and the continued over-performance in the underground development. We are very excited to be commencing an extensive programme of deep exploration drilling at Nymagee and Nymagee North to test the potential of a large Cobar style copper system at depth*"

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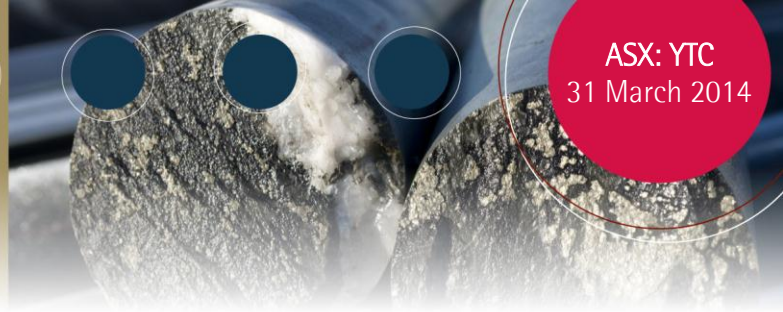

Competent Persons Statement

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 is a full time employee of YTC Resources and 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 2012 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.

Table 1: Collar summary for Hera underground drill holes in this release

Hole	GDA_E	GDA_N	RL	DIP	AZI_MGA	Depth (m)	Comments
HRUD006	436381	6447300	132	-51.5	288.5	139.66	Delineation drilling Upper Main North Lens
HRUD007	436381	6447300	132	-57	296.3	148.8	Delineation drilling Upper Main North Lens
HRUD008	436381	6447301	132	-45	312	180.4	Delineation drilling Upper Main North Lens
HRUD009	436381	6447300	132	-42	302.3	139.6	Delineation drilling Upper Main North Lens
HRUD010	436336	6447410	116	-15.7	215.3	76.80	Delineation drilling Upper Main North Lens
HRUD011	436336	6447411	117	6.61	234.3	67.00	Delineation drilling Upper Main North Lens
HRUD012	436336	6447411	118	35	237.5	76.90	Delineation drilling Upper Main North Lens
HRUD013	436336	6447412	117	6	263.5	68.20	Delineation drilling Upper Main North Lens
HRUD014	436336	6447412	118	31.5	264.5	75.40	Delineation drilling Upper Main North Lens
HRUD016	436336	6447411	116	-23	243.9	76.00	Delineation drilling Upper Main North Lens
HRUD017	436335.51	6447412	116	-7	279.2	76.30	Delineation drilling Upper Main North Lens
HRUD018	436336	6447412	118	40.44	283.21	108.3	Delineation drilling Upper Main North Lens
HRUD019	436336	6447412	117	16.28	296.13	83.8	Delineation drilling Upper Main North Lens
HRUD020	436336	6447413	116	-3.4	294.3	85.1	Delineation drilling Upper Main North Lens
HRUD021	436357	6447416	70	2.19	266.39	90.95	Delineation drilling Upper Main North Lens
HRUD023	436357	6447416	70	7	255.04	103.4	Delineation drilling Upper Main North Lens
HRUD024	436357	6447416	69.2	-11	258.4	94.6	Delineation drilling Upper Main North Lens
HRUD025	436357	6447415	69.6	2.1	241.8	88.6	Delineation drilling Upper Main North Lens
HRUD026	436357	6447415	69.2	-9.59	240.99	107.6	Delineation drilling Upper Main North Lens
HRUD027	436357	6447415	69	-18.95	242.03	110.5	Delineation drilling Upper Main North Lens
HRUD028	436357	6447414	69	-16.25	226.56	100.5	Delineation drilling Upper Main North Lens
HRUD029	436357	6447414	68	-24.66	219.06	115.8	Delineation drilling Upper Main North Lens
HRUD030	436357	6447416	69	-26.63	255.45	101.35	Delineation drilling Upper Main North Lens
HRUD031	436357	6447415	68	-40.21	238.41	115.9	Delineation drilling Upper Main North Lens
HRUD032	436357	6447415	68	-42.58	227.63	131	Delineation drilling Upper Main North Lens

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Table 2: Intersection summary for Hera underground drill holes in this release

Hole	From (m)	To (m)	Intercept (m)	Est true width (m)	Au (g/t)	Cu (%)	Pb (%)	Zn (%)	Ag (g/t)	Comments
HRUD006	111	117	6	4.9	0.20	0.1	6.4	12.1	32	
HRUD007	114	120	7	6.2	0.69	0.4	3.5	5.9	23	
HRUD008	54	57	3	2.8	0.16	0.2	1.3	1.7	12	
HRUD009	55	58	3	3	0.04	0.6	0.9	0.3	9	
HRUD010	62	67	5	4.8	0.11	-	2.4	6.8	14	
HRUD011	49	61	12	12	0.04	-	0.4	0.6	3	
HRUD012	55	63	8	6.7	0.3	0.3	1.8	3.3	22	
HRUD013	47	54	7	7	0.73	0.9	2.7	3.5	23	
HRUD014	53	56	3	2.7	0.05	-	1.6	2.9	12	
HRUD016	56	59	3	2.8	0.28	-	6.7	9.6	40	
HRUD017	57	61	4	4	0.18	0.4	2.9	3.9	19	
HRUD018	66	75	9	7.2	0.64	0.4	2.5	3.2	22	
HRUD019	60	61	1	1	0.13	-	0.5	4.8	4	
HRUD020	68.9	70	1.1	1.1	0.05	-	3.4	3.5	24	
HRUD021	81	83	2	2	0.15	-	2.0	3.1	6	
HRUD023	67.4	71.6	4.2	4.18	0.58	-	6.1	11.3	27	
HRUD024	75.5	79.5	4	3.94	0.30	-	4.9	8.7	15	
HRUD025	70.3	74.3	4	4	5.9	-	6.2	10.0	26	
HRUD026	74	75.5	1.5	4.5	2.10	-	7.0	12.2	30	
And	88.5	97.65	9.15	9.1	0.09	-	4.3	8.4	17	
HRUD027	77	80	3	2.9	1.45	-	5.9	10.3	28	
And	97	102	5	4.85	1.90	-	4.5	11.8	19	
And	104	107	3	2.9	0.40	1.0	7.5	7.4	52	
HRUD028	82	83	1	0.97	0.71	-	1.6	2.3	9.8	
HRUD029	93.5	95	1.5	1.4	1.1	1.4	4.0	4.1	25	
HRUD030	96	97	1	0.94	0.12	-	1.5	7.1	4.5	
HRUD031	97.2	104.8	7.6	6.4	0.84	0.2	7.3	10.6	41	
HRUD032	104.7	110.8	6.1	5.1	0.43	0.3	5.5	9.2	35	
And	119.9	127.1	7.2	6.1	1.84	0.1	4.2	6.7	20	

Table 3: Collar summary for Hera surface drill holes in this release

Hole	GDA_E	GDA_N	DIP	AZI_MGA	Depth	Comments
HRD052W3	436855	6446937	-72	235.3	773.4	Hera South

Table 4: Collar summary for Hera surface drill holes in this release

Hole	From (m)	To (m)	Intercept (m)	True Width (m)	Cu (%)	Pb (%)	Zn (%)	Ag (g/t)	Comments
HRD052W3	722.4	724.4	2	2	0.8	5.2	4.2	55	

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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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JORC CODE 2012 TABLE 1

Section 1 Sampling Techniques and Data – HERA PROJECT – STOPE DELINEATION DRILLING

Criteria	Explanation	Commentary
Sampling techniques	*Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	Sampling is by sawn half core HQ ,NQ, LTK60 core or quarter PQ core. Nominal sample intervals are 1m with a range from 0.5m to 1.5m. Samples are transported to ALS Chemex Orange for preparation and assay
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	Assay standards or blanks are inserted at least every 40 samples. Silica flush samples are employed after each occurrence of visible gold. During resource drill out programmes duplicate splits of the coarse reject fraction of the crushed core are assayed every 20 samples.
	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	Diamond drilling was used to obtain core samples of nominally 1m, but with a range between 0.5-1.5m. Core samples are cut in half, dried, crushed and pulverised to 85% passing 75 microns. This is considered to appropriately homogenise the sample. 30g fire assay with AAS finish, (Method Au – AA25) with a detection level of 0.01ppm. For Base Metals a 0.5g charge is dissolved using Aqua Regia Digestion (Method ICP41-AES) with detection levels of: Ag-0.2ppm, As-2ppm, Cu-1ppm, Fe-0.01%, Pb-2ppm, S-0.01%, Zn-2ppm. Overlimit analysis is by OG46-Aqua Regia Digestion with ICP-AES finish. Where specified, coarse gold samples greater than 0.5g/t were reassayed by screen fire assay (Method Au-SCR22) using the entire sample.
Drilling techniques	*Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	Drilling is by diamond coring. Surface holes generally commence as PQ core until fresh rock is reached. The PQ rods are left as casing thence HQ or NQ coring is employed. Underground holes are LTK60 sized drill core from collar.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	Measured core recovery against intervals drilled is recorded as part of geotechnical logging. Recoveries are greater than 95% once in fresh rock.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	Surface holes use triple tube drilling employed to maximise recovery. Underground LTK60 core is double tube drilling.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	Not Applicable since recoveries exceeds 95%.

Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	Systematic geological and geotechnical logging is undertaken. Data collected includes: • Nature and extent of lithologies. • Relationship between lithologies. • Amount and mode of occurrence of ore minerals. • Location, extent and nature of structures such as bedding, cleavage, veins, faults etc. Structural data (alpha & beta) are recorded for orientated core. • Geotechnical data such as recovery, RQD, fracture frequency, qualitative IRS, microfractures, veinlets and number of defect sets. For some geotechnical holes the orientation, nature of defects and defect fill are recorded. • Bulk density by Archimedes principle at regular intervals. • Magnetic susceptibility recorded at 1m intervals for some holes as an orientation and alteration characterisation tool.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	Both qualitative and quantitative data is collected. All core is digitally photographed.
	The total length and percentage of the relevant intersections logged.	All core is geologically and geotechnically logged.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	Core is sawn with half core submitted for assay. Sampling is consistently on one side of the orientation line so that the same part of the core is sent for assay. PQ core is ¼ sampled.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	Not applicable as all samples are drill core
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Samples are dried crushed and pulverised to 85% passing 75 microns. This is considered to appropriately homogenise the sample to allow subsampling for the various assay techniques.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	The use of Certified Standard Reference Materials and blanks are inserted at least every 40 samples to assess the accuracy and reproducibility. Silica flush samples are employed after each occurrence of visible gold. The results of the standards are to be within ±10% variance from known certified result. If greater than 10% variance the standard and up to 10 samples each side are re-assayed. ALS conduct internal check samples every 20 samples for Au and every 20 for base metals. These are checked by YTC employees. Assay grades are compared with mineralogy logging estimates. If differences detected a re-assay can be carried out by either: ¼ core of the original sample interval, re-assay using bulk reject, or the assay pulp. Submission of pulps to a secondary laboratory (Genalysis, Perth) to assess any assay bias.
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	No field duplicates are taken for core samples. Core samples are cut in ½ for down hole intervals of 1m, however, intervals can range from 0.5-1.5m. This is considered representative of the insitu material. The sample is crushed and pulverised to 85% passing 75 microns. This is considered to appropriately homogenise the sample.

	Whether sample sizes are appropriate to the grain size of the material being sampled.	Sample sizes are considered appropriate. If visible gold is observed in surface drilling, gold assays are undertaken by both a 30g fire assay and a screen fire assay using the entire available sample (up to several kg).
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	Standard assay procedures performed by a reputable assay lab, (ALS Group), were undertaken. Gold assays are initially by 30g fire assay with AAS finish, (method Au-AA25). Ag, As, Cu, Fe, Pb, S, Zn are digested in aqua regia then analysed by ICPAES (method ME-ICP41). Comparison with 4 acid digestion indicate that the technique is considered total for Ag, As, Cu, Pb, S, Zn. Fe may not be totally digested by aqua regia but near total digestion occurs.
	For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	Not Applicable as no geophysical tools were used in the determination of assay results. All assay results were generated by an independent third party laboratory as described above
	Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	Certified reference material or blanks are inserted at least every 40 samples. Standards are purchased from Certified Reference Material manufacture companies: Ore Research and Exploration, Gannet Holdings Pty Ltd and Geostats Pty Ltd. Standards were purchased in foil lined packets of between 60g and 100g. Different reference materials are used to cover high grade, medium grade and low grade ranges of elements: Au, Ag, Pb, Zn Cu, Fe S and As. The standard names on the foil packages were erased before going into the pre numbered sample bag and the standards are submitted to the lab blind.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	The raw assay data forming significant intercepts are examined by at least two company personnel.
	The use of twinned holes.	Twinned holes have not been used since this work is intended to test areas not previously explored.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Drill Hole Data including: meta data, orientation methods, any gear left in the drill hole, lithological, mineral, structural, geotechnical, density, survey, sampling, magnetic susceptibility is collected and entered directly into an excel spread sheet using drop down codes. When complete the spreadsheet is emailed to the geological database administrator, the data is validated and uploaded into an SQL database. Assay data is provided by ALS via .csv spreadsheets. The data is validated using the results received from the known certified reference material. Using an SQL based query the assay data is merged into the database. Hard copies of the assay certificates are stored with drill hole data such as drillers plods, invoices and hole planning documents.
	Discuss any adjustment to assay data.	Assay data is not adjusted.
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Drill hole collars are initially located using hand held GPS to ±5m. Upon completion collars are located with differential GPS to ±5cm.
	Specification of the grid system used.	All coordinates are based on Map Grid Australia zone 55H

	Quality and adequacy of topographic control.	Topographic control is considered adequate. There is no substantial variation in topography in the area with a maximum relief of 50m present. Local control within the Hera and Nymagee Mine areas is based on accurate mine surveys.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	Drill results are stope delineation holes with piece points between 15m and 20m spacing within the mineralised structure.
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	The mineralised areas are yet to demonstrate sufficient grade continuity to support the definition of a Mineral Resource and the classifications applied under the 2012 JORC code.
	Whether sample compositing has been applied.	Sample compositing is not applied.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	Drilling is orientated to cross the interpreted, steeply dipping mineralisation trend at moderate to high angles. Holes are drilled from both the footwall and hangingwall of the mineralisation. The use of orientated core allows estimates of the true width and orientation of the mineralisation to be made.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	No sample bias due to drilling orientation is known.
Sample security	*The measures taken to ensure sample security.*	Chain of custody is managed by YTC. Samples are placed in tied calico bags with sample numbers that provide no information on the location of the sample. Samples are delivered by YTC personnel to the assay lab or transported by courier.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	No audits or reviews have been conducted at this stage.

JORC CODE 2012 TABLE 1

Section 1 Sampling Techniques and Data – HERA PROJECT – SURFACE EXPLORATION DRILLING

Criteria	Explanation	Commentary
Sampling techniques	*Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	Sampling is by sawn half core HQ ,NQ, LTK60 core or quarter PQ core. Nominal sample intervals are 1m with a range from 0.5m to 1.5m. Samples are transported to ALS Chemex Orange for preparation and assay
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	Assay standards or blanks are inserted at least every 40 samples. Silica flush samples are employed after each occurrence of visible gold. During resource drill out programmes duplicate splits of the coarse reject fraction of the crushed core are assayed every 20 samples.
	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	Diamond drilling was used to obtain core samples of nominally 1m, but with a range between 0.5-1.5m. Core samples are cut in half, dried, crushed and pulverised to 85% passing 75 microns. This is considered to appropriately homogenise the sample. 30g fire assay with AAS finish, (Method Au – AA25) with a detection level of 0.01ppm. For Base Metals a 0.5g charge is dissolved using Aqua Regia Digestion (Method ICP41-AES) with detection levels of: Ag-0.2ppm, As-2ppm, Cu-1ppm, Fe-0.01%, Pb-2ppm, S-0.01%, Zn-2ppm. Overlimit analysis is by OG46-Aqua Regia Digestion with ICP-AES finish. Where specified, coarse gold samples greater than 0.5g/t were reassayed by screen fire assay (Method Au-SCR22) using the entire sample.
Drilling techniques	*Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	Drilling is by diamond coring. Surface holes generally commence as PQ core until fresh rock is reached. The PQ rods are left as casing thence HQ or NQ coring is employed. Underground holes are LTK60 sized drill core from collar.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	Measured core recovery against intervals drilled is recorded as part of geotechnical logging. Recoveries are greater than 95% once in fresh rock.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	Surface holes use triple tube drilling employed to maximise recovery. Underground LTK60 core is double tube drilling.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	Not Applicable since recoveries exceeds 95%.

Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	Systematic geological and geotechnical logging is undertaken. Data collected includes: • Nature and extent of lithologies. • Relationship between lithologies. • Amount and mode of occurrence of ore minerals. • Location, extent and nature of structures such as bedding, cleavage, veins, faults etc. Structural data (alpha & beta) are recorded for orientated core. • Geotechnical data such as recovery, RQD, fracture frequency, qualitative IRS, microfractures, veinlets and number of defect sets. For some geotechnical holes the orientation, nature of defects and defect fill are recorded. • Bulk density by Archimedes principle at regular intervals. • Magnetic susceptibility recorded at 1m intervals for some holes as an orientation and alteration characterisation tool.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	Both qualitative and quantitative data is collected. All core is digitally photographed.
	The total length and percentage of the relevant intersections logged.	All core is geologically and geotechnically logged.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	Core is sawn with half core submitted for assay. Sampling is consistently on one side of the orientation line so that the same part of the core is sent for assay. PQ core is ¼ sampled.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	Not applicable as all samples are drill core
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Samples are dried crushed and pulverised to 85% passing 75 microns. This is considered to appropriately homogenise the sample to allow subsampling for the various assay techniques.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	The use of Certified Standard Reference Materials and blanks are inserted at least every 40 samples to assess the accuracy and reproducibility. Silica flush samples are employed after each occurrence of visible gold. The results of the standards are to be within ±10% variance from known certified result. If greater than 10% variance the standard and up to 10 samples each side are re-assayed. ALS conduct internal check samples every 20 samples for Au and every 20 for base metals. These are checked by YTC employees. Assay grades are compared with mineralogy logging estimates. If differences detected a re-assay can be carried out by either: ¼ core of the original sample interval, re-assay using bulk reject, or the assay pulp. Submission of pulps to a secondary laboratory (Genalysis, Perth) to assess any assay bias.
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	No field duplicates are taken for core samples. Core samples are cut in ½ for down hole intervals of 1m, however, intervals can range from 0.5-1.5m. This is considered representative of the insitu material. The sample is crushed and pulverised to 85% passing 75 microns. This is considered to appropriately homogenise the sample.

	Whether sample sizes are appropriate to the grain size of the material being sampled.	Sample sizes are considered appropriate. If visible gold is observed in surface drilling, gold assays are undertaken by both a 30g fire assay and a screen fire assay using the entire available sample (up to several kg).
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	Standard assay procedures performed by a reputable assay lab, (ALS Group), were undertaken. Gold assays are initially by 30g fire assay with AAS finish, (method Au-AA25). For samples with a gold value greater than 0.5ppm the entire remaining sample is screen fire assayed using wet screening to 75 microns. Ag, As, Cu, Fe, Pb, S, Zn are digested in aqua regia then analysed by ICPAES (method ME-ICP41). Comparison with 4 acid digestion indicate that the technique is considered total for Ag, As, Cu, Pb, S, Zn. Fe may not be totally digested by aqua regia but near total digestion occurs.
	For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	Not Applicable as no geophysical tools were used in the determination of assay results. All assay results were generated by an independent third party laboratory as described above
	Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	Certified reference material or blanks are inserted at least every 40 samples. Standards are purchased from Certified Reference Material manufacture companies: Ore Research and Exploration, Gannet Holdings Pty Ltd and Geostats Pty Ltd. Standards were purchased in foil lined packets of between 60g and 100g. Different reference materials are used to cover high grade, medium grade and low grade ranges of elements: Au, Ag, Pb, Zn Cu, Fe S and As. The standard names on the foil packages were erased before going into the pre numbered sample bag and the standards are submitted to the lab blind.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	The raw assay data forming significant intercepts are examined by at least two company personnel.
	The use of twinned holes.	Twinned holes have not been used since this work is intended to test areas not previously explored.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Drill Hole Data including: meta data, orientation methods, any gear left in the drill hole, lithological, mineral, structural, geotechnical, density, survey, sampling, magnetic susceptibility is collected and entered directly into an excel spread sheet using drop down codes. When complete the spreadsheet is emailed to the geological database administrator, the data is validated and uploaded into an SQL database. Assay data is provided by ALS via .csv spreadsheets. The data is validated using the results received from the known certified reference material. Using an SQL based query the assay data is merged into the database. Hard copies of the assay certificates are stored with drill hole data such as drillers plods, invoices and hole planning documents.
	Discuss any adjustment to assay data.	Assay data is not adjusted.
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Drill hole collars are initially located using hand held GPS to ±5m. Upon completion collars are located with differential GPS to ±5cm.
	Specification of the grid system used.	All coordinates are based on Map Grid Australia zone 55H

	Quality and adequacy of topographic control.	Topographic control is considered adequate. There is no substantial variation in topography in the area with a maximum relief of 50m present. Local control within the Hera and Nymagee Mine areas is based on accurate mine surveys.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	Drill results are exploratory in nature with piece points between 50m and 100m spacing within the mineralised structure.
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	The mineralised areas are yet to demonstrate sufficient grade continuity to support the definition of a Mineral Resource and the classifications applied under the 2012 JORC code.
	Whether sample compositing has been applied.	Sample compositing is not applied.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	Drilling is orientated to cross the interpreted, steeply dipping mineralisation trend at moderate to high angles. Holes are drilled from both the footwall and hangingwall of the mineralisation. The use of orientated core allows estimates of the true width and orientation of the mineralisation to be made.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	No sample bias due to drilling orientation is known.
Sample security	*The measures taken to ensure sample security.*	Chain of custody is managed by YTC. Samples are placed in tied calico bags with sample numbers that provide no information on the location of the sample. Samples are delivered by YTC personnel to the assay lab or transported by courier.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	No audits or reviews have been conducted at this stage.

Section 2 Reporting of Exploration Results - HERA PROJECT

Criteria	Explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	The Hera Deposit along with the Hebe, Zeus and Athena Prospects are located on ML1686. The land comprising ML1686 is part of "The Peak" property with is a perpetual lease held by YTC Resources. Production of the first 250,000 ounces of gold from the Hera Deposit is subject to a 5% royalty on gravity gold payable to CBH Resources Ltd. as part of the purchase of the project.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	ML1686 is a granted mining lease that expires in 2031.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	The area has a 50 year exploration history involving reputable companies such as Cyprus Mines, Buka, ESSO Minerals, CRAE, Pasminco, Triako Resources and CBH Resources. Previous exploration data has been ground truthed where possible. Historic drill hole collars have been relocated and surveyed. Most of the drill core has been relocated and re-examined and resampled. This is particularly the case in older drilling where Au assays were sparse or non-existent. Some of the current staff were previously employees of Triako and CBH Resources hence retain corporate memory of activities and the quality of this work.
Geology	*Deposit type, geological setting and style of mineralisation.*	All known mineralisation in the area is epigenetic "Cobar" style. Deposits are structurally controlled quartz + sulphide matrix breccias grading to massive sulphide. In a similar fashion to the Cobar deposits, the Nymagee deposits are located 1km to 3km to the west of the Rookery Fault, a major regional structure with over 300km strike length. The deposits are about the boundary of the Devonian Lower Amphitheatre Group and the underlying Roset Sandstone. Both units show moderate to strong ductile deformation with tight upright folding coincident with greenschist facies regional metamorphism. A well-developed sub vertical cleavage is present. The deposits are located in high strain zones. Metal ratios are variable but there is a general tendency for separate Pb+Zn+Ag±Au±Cu and Cu+Ag±Au ore bodies. These are often in close association with the Pb+Zn lenses lying to the west of the Cu lenses. At Hera Zn is usually more abundant than Pb. Formation temperatures are moderate to high. At Hera the presence of Fe-rich sphalerite, non-magnetic pyrrhotite and cubanite indicates formation temperatures between 350°C and 400°C. Recognised at Hera are quartz + K-feldspar veins, scheelite, and skarn mineralogy, (garnet, amphiboles) which suggest a possible magmatic input. Deposit timing is enigmatic. Much of the sulphide halo mineralogy has been rotated into the cleavage showing that mineralisation is at least in part syn-deformation. The main mineralisation occurs as brittle sulphide matrix breccias with silicification grading to ductile massive sulphides that crosscut both bedding and cleavage. This is interpreted as mineralisation straddling the point where the rock mass cooled below the brittle – ductile transition and brittle failure allowed rapid release of mineralising fluids from depth. Recent age dating on micas and galena gives an age of ~382Ma for the Hera deposit.

Drill hole Information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* • *easting and northing of the drill hole collar* • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* • *dip and azimuth of the hole* • *down hole length and interception depth* • *hole length.*	See table in body of report.
	If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	Not applicable as drill hole information is included.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.*	All reported assays have been length weighted. Grades greater than 0.1% in either Cu, Pb or Zn have been used to calculate intercepts. 5g/tAg and 0.5g/tAu are considered anomalous in the geological setting. No high cutoff has been applied. Intervals of less than 0.1% Cu, Zn and Pb are not included, except when Au>0.2g/t, Ag>5g/t
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	Intercepts are length weighted with no cutting of grades. This may lead to elevation of intercept grades due to the presence of a narrow interval of high grade material. Such high grade zones are reported as included intercepts inside the broader intercept.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalences quoted.

Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.*	Orientated drill core used to allow determination of orientation of structures and mineralisation. Orientation of the Hera and Nymagee deposits is well constrained by extensive drilling and mine exposures.
	If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.	See table in body of report.
	If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	See table in body of report.
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	See body of report.

Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	See table in body of report.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	See body of report.
Further work	*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*	See body of report.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	See figures in body of report.