

Compliance Statement – Listing Rules 5.16 – 5.18

An investor presentation announced to the ASX on 3rd April contains forecast rates for the production of gold, lead and zinc from the Hera Project. These production targets were developed under a Definitive Feasibility Study ('DFS') as announced to the ASX on the 19th September 2011.

The estimated ore reserves underpinning these production targets were prepared by a competent person in accordance with the requirements set out in Appendix 5A of the JORC code - 2004.

This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

The targets are based 100% of a probable ore reserve as stated below:

PROBABLE ORE RESERVE: HERA DEPOSIT – DFS: SEPT 2011								
SOURCE	Tonnes	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)	Au Eq (g/t)	Contained Au Ozs Eq
Development Sub-total	278,158	2.86	13.06	0.13	2.26	3.19		
Stope Sub-Total	1,597,760	3.72	15.39	0.17	2.56	3.55		
MINE PROBABLE RESERVE	1,875,918	3.59	15.04	0.16	2.51	3.50	7.00	423,471

The competent person's statement is repeated below:

Competent Persons Statement – Hera Ore Reserve

The Information in this report relating to Ore Reserves is based on work undertaken by Mr Michael Leak of Optiro Pty Ltd under supervision of Mr Sean Pearce. This report has been compiled by Sean Pearce, who is a Member of the Australasian Institute of Mining and Metallurgy. Sean Pearce 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 Pearce consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The information on the Hera Ore Reserve is extracted from the ASX Report available on the YTC Website:

- *Hera DFS Release – 19 September 2011*

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.



The economic assumptions underlying these production targets are:

Item	Input	Units	Source
Lead Price	\$2,500	US\$/Tonne	LME 15 month buyer
Zinc Price	\$2,318	US\$/Tonne	LME 15 month buyer
Gold Price	\$1,450	US\$/Ounce	20% discount to spot
Silver	\$32	US\$/Ounce	20% discount to spot
Gold Recovery to Dore	94%	Recovery	DFS Metallurgy Study
Silver Recovery to Dore	47%	Recovery	DFS Metallurgy Study
Lead Recovery to bulk Con	91%	Recovery	DFS Metallurgy Study
Zinc Recovery to bulk Con	90%	Recovery	DFS Metallurgy Study
Bulk Concentrate Grade	56%	Pb + Zn	DFS Metallurgy Study
Exchange Rate	1.00	AUD/USD	Consensus Forecast

	HERA DFS
Diluted Reserve (tonnes)	1,875,918
Diluted Reserve Grade - g/t Au (on gold equivalent basis) - Net Smelter Return (NSR)	7g/t Au Eq. \$218 / tonne
Mine Life (box cut to last revenue)	7.3 years
Mining & Process Rate	350,000 tpa
Payable Metal Production - Gold Production (to dore) - Silver Production (to dore) - Zinc Production - Lead Production - Gold Equivalent Production	204,274 ounces 426,860 ounces 63,439 tonnes 43,399 tonnes 352,324 ounces
Operating Costs - Mining - Milling - Offsite costs - Administration	\$72.79 / tonne \$34.55 / tonne \$49.33 / tonne \$14.25 tonne
Operating Margin (after mining and milling)	\$105.33 / tonne
Operating Costs (after Pb-Zn credits)	\$394.60 / Au ounce
Pre-Production Capital Costs (to first ore)	\$73.5 million
Net Revenue (pre-tax Profit) - A\$1,450/oz gold price - A\$1,750/oz gold price	\$94.8 million \$152 million

