



# FUNDING SECURES PRODUCTION ON TWO FRONTS FOR YTC RESOURCES

With funding through to production now firmly in place for two near-term projects, junior miner **YTC Resources Ltd (ASX:YTC)** has finished laying the foundations for its transformation into a diversified mid-tier Australian miner.

YTC Resources' Hera gold and base metals project and Nymagee copper project in the New South Wales Cobar Basin are fully funded through to production following the formal completion of a \$158M funding deal with Glencore Australia.

Managing director Rimas Kairaitis said finalisation of the agreement was a very important milestone for YTC.

"This funding means that in two or three years' time the company should be pushing on the mid-tier status without having to raise any further development funds," he said.

"After base metal credits, Hera is expected to be one of the lowest operating cost gold mines in Australia," he said.

"In addition, we consider both Hera and Nymagee to have exceptionally strong exploration potential. We have a busy exploration schedule for the coming year with lots of exciting options, not only on our two major projects but also on our other assets."

Construction on the decline and plant has already commenced at Hera Mine, with first gold sales expected to happen in the September quarter 2014 and the first base metal sales in the December quarter the same year.

Hera has a current gold equivalent resource of 677,200t and reserve of 423,471t. Operating costs have been estimated at \$395/oz after lead and zinc credits with average annual gold equivalent production expected to exceed 50,000oz of gold equivalent pa over an initial mine life of 7.3 years. The Hera deposit remains open to the north and south.

"We are able to achieve good operating costs because Hera has gold, zinc and lead all in the one ore body and operating costs at around \$400/oz give us quite a bit of comfort.



"We don't have strong convictions on where the gold price is going and the view that we take is that the ore body is multi-commodity, it has precious and industrial minerals and that provides us with a natural metal hedge so if gold prices do fall on the back of recovering industrial production that should see the lead-zinc prices pick up the slack."

Kairaitis said Hera and Nymagee had both been interpreted as the shallow components of a much larger Cobar style mineral system, with the model at Nymagee suggesting increasing copper grade with increasing depth.

"The precedent at Cobar is for very large-scale projects on the back of very persistent vertical continuity," he said.

"They tend to extend at depth to about 1km – 1.5km and both our ore systems at Hera and Nymagee are in the upper 500m, so we like to think that we're probably only working on the upper third of the deposit at this stage. We have a lot of confidence in the future."

The Nymagee copper project has a current global resource of 8.1Mt at 1.2 per cent copper, 0.3 per cent lead, 0.7 per cent zinc and 9g/t silver.

YTC believes the Nymagee deposit shows the hallmarks of being comparable to Glencore's nearby CSA copper mine which has been in production since 1965 and currently produces over 1.1Mt of copper ore and produces in excess of 185,000t of copper concentrate annually.

YTC also holds or has a significant interest in five other projects, including the Kadungle and Baldry copper-gold projects in central NSW, the Doradilla and Taronga tin projects in north-east NSW and the Tallebung tin-tungsten project in north-west NSW.

## DIRECTORS

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**Rimas Kairaitis**  
Executive Officer/  
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