

MAJOR FINDS FOR MULTI-METALS PLAYER

YTC Resources is making a lot of noise about key assets in New South Wales, and you can't blame it, with huge headway made at the gold and base metal Hera project and the Nymagee copper deposit.

THE PROJECTS, WHICH are located in western NSW, feature typical Cobar-style ore systems that are amenable to large scale and lengthy mining operations.

YTC plans to unite the Hera and Nymagee projects into a combined operation producing gold, copper, silver, lead and zinc.

The company aims to develop a high-grade underground mine capable of delivering around at least 40,000 ounces of gold per annum and 35,000 tonnes per annum of lead and zinc concentrates.

To get the ball rolling it is completing a definitive feasibility study at Hera.

In June this year YTC delivered an updated resource for Hera – which included 2.44 million tonnes at 4.1 grams per tonne of gold, 16.7gpt of silver, 2.8% lead and 3.8% zinc.

“The new resource saw a 33 per cent increase in indicated resources, with 86 per cent of the resource now in the indicated category,” YTC executive director and chief executive officer Rimas Kairaitis told *RESOURCESTOCKS*.

The resource upgrade followed the discovery of significant high-grade extensions to Hera's Far West Lens, with intersections including 10.2 metres at 68.3gpt of gold, 19gpt of silver, 3.2% lead and 3.8% zinc.

This included 4.2m at 164gpt of gold, 25.1gpt of silver, 7% lead and 5% zinc.

Other strong results included 11m at 11.1gpt of gold, 40gpt of silver, 6.9% lead and 13.6% zinc.

Kairaitis said the company's plan was to use the Hera decline approvals to advance the project towards first

production by December next year.

“We see the Hera development as the first part of a two stage integrated development – which would see the nearby Nymagee copper deposit developed just after Hera commencement,” he said.

“Then we'd arrange for the Nymagee ore to be fed into a centralised Hera process circuit.”

And Nymagee ore isn't too far off, if comments from Kairaitis are anything to go by.

“Nymagee is emerging as one of the most exciting copper discoveries in Australia, as it holds strong analogies to the world-class CSA copper system, located 90 kilometres along strike,” Kairaitis said.

“CSA, like other Cobar Basin mineral systems, has extensive depth persistence and extends to greater than 2 kilometres in depth.

“The Nymagee system remains open at depth, with our most recent drilling discovering two new copper lenses.”

The Nymagee deposit is shaping up as a deposit in four parts, with initial results indicating the main lode lies beneath the historic workings.

Results from the main lode include 8.9m at 7.2% copper; 7m

at 8.3% copper, 46gpt of silver and 0.32gpt of gold; 10m at 7.1% copper; 18m at 6.3% copper, 0.65gpt of gold and 26gpt of silver; and 36m at 2.5% copper.

More recently YTC has had substantial success in discovering broad widths of strong, shallow copper mineralisation – which appears amenable to open pit mining.

Results from the shallow mineralisation include 53m at 2.2% copper, 69m at 1.5% copper and 92m at 1.5% copper.

Kairaitis said there had also been other finds at the project.

“We have now discovered that a high-grade lead-zinc-silver lens has been left by previous miners – which is great news,” he said.

Intersections through this lens include 5m at 17.1% lead, 24% zinc and 265gpt of silver, as well as 8m at 0.5% copper, 5.7% lead, 10.2% zinc and 57gpt of silver.

Other results include 17m at 3% copper, 7.2% zinc, and 8m at 0.5% copper, 5% lead, 13.6% zinc and 125gpt of silver.

“These results re-enforce the potential of the shallow mineralisation at Nymagee to host a substantial open-pittable zone not just for



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RIMAS KAIRAITIS
YTC RESOURCES



copper, but also with substantial lead-zinc-silver credits,” Kairaitis said.

YTC has continued to intersect substantial copper mineralisation at depth. Recent results indicate the footwall position at Nymagee hosts a number of high-grade copper lodestones at depth, which are blind to the surface.

Significant intersections include 12m at 3.7% copper, 6m at 3.75% copper and 3m at 3.5% copper.

Kairaitis added the current drilling demonstrated good continuity to about 500m below surface.

“In addition to that, the results add particular excitement to the Nymagee potential, given the strong precedent for Cobar-style deposits to extend to depths below 1.5 kilometres,” he said.

At the time of publication, YTC was aggressively expanding the drilling program at Nymagee, with three drilling rigs onsite to establish a maiden resource and the commencement of feasibility studies.

The company also has other gold-copper interests in New South Wales, particularly in the prospective Lachlan Fold Belt.

“We really like the belt, as it hasn’t been mined extensively and has well developed infrastructure,” Kairaitis said.

The belt is also home to some world-class gold-copper deposits including Newcrest Mining’s Cadia-Ridgeway operation, Rio Tinto’s

Northparkes mine and Barrick Gold’s Cowal gold mine.

“Since 2001, exploration activity in New South Wales has increased, resulting in a number of new discoveries such as Tomingley, McPhillamy’s and Dargues Reef – which all confirms the prospectivity of the state,” Kairaitis said.

Despite the Hera and Nymagee projects taking the spotlight, YTC also has other impressive projects, like the copper-gold Kadungle and Baldry gold projects.

Kadungle has returned some impressive copper-gold intersections over about a 1km strike in the past few years including 97m at 0.63gpt gold; 12m at 7.73gpt gold and 0.1% copper; and 131m at 0.31gpt gold and 0.11% copper.

YTC believes the project can host a significant Cadia-Northparkes style copper-gold porphyry system.

The company also plans to revisit the Baldry project, which was previously mined by BHP Gold in the early 1990s, as high-grade feed for its Parkes gold mine.

So, when it comes down to it, YTC has an exciting mix of intense development and exploration projects.

The difference with this junior is that it has the fortitude to see them through to fruition, producing plenty of value for shareholders.

– **Samantha Cairns**

YTC senior geologist Hugh Simmons (left) inspects drill cores with an onsite worker at Nymagee

YTC RESOURCES AT A GLANCE



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MARKET CAPITALISATION

\$A129.34 million (at press time)

QUOTED SHARES ON ISSUE

248,724,300

MAJOR SHAREHOLDERS

Yunnan Tin Group 12.32%
HSBC Nominees 8.2%
China Yunnan Tin Metals 4.88%
Lion Selection 4.09%