

GOLDEN CROSS RESOURCES N.L.
ACN 063 075 178

QUARTERLY REPORT

To 30 March 1996

24 April 1996

Golden Cross Resources was listed on the Australian Stock Exchange on 27 March 1996 after raising \$7.2M. The number of shareholders in the company on listing was 1,253.

The funds are being applied to exploration and resource definition programmes over eight projects located in NSW, which focus on the Lachlan Fold Belt, particularly along the Gilmore Suture, and around the Glengarry Basin in WA. Golden Cross Resources either wholly-owns or is earning a high equity holding through joint ventures in these projects.

The Directors of Golden Cross Resources believe each of the eight projects has the potential to host mineable deposits. However, there are three first priority projects: West Wyalong, Pipeline Ridge, and Heines Find.

A significant portion of the \$1M seed capital raised was expended after the prospectus cut-of date in September 1995 and this quarterly report incorporates exploration results since then.

EXPLORATION HIGHLIGHTS

1. West Wyalong, NSW (GCR earning 90%)

- **Mine dump sampling over a 45,000 sq m area averaged 6.8 g/t gold**
- **Geochemical soil sampling resulted in high grade (0.41 g/t gold) anomalous zone**
- **Airborne electromagnetic survey produced enhanced potential for porphyry copper deposits**
- **Detailed drilling programme planned to commence in May 1996**

2. Pipeline Ridge, NSW (GCR 100%)

- **Grid drilling for resource definition and expansion underway on 26,000 oz supergene inferred gold resource down to 25m**
- **Numerous geochemical soil sampling anomalies have been indicated requiring follow up**

3. Heines Find, WA (GCR earning 70%)

- **Detailed heli-mag survey provided geophysical evidence of enhanced and additional targets for gold mineralisation**
- **Resource definition drilling to commence in May 1996**

NSW Programme:

WEST WYALONG, NSW

(GCR earning 90% from Lac Minerals (Australia) N.L.*)
(* Subject to 2.5% net smelter return)

We believe Bob Carr's decision to halt development of the Lake Cowal deposit is a one off and should have no effect on the West Wyalong project. West Wyalong is located over 30 kilometres to the south west of Lake Cowal.

Golden Cross Resources has established programmes for three targets at West Wyalong, detailed below:

1. Test for a measured **near surface resource** in the old mine workings north of West Wyalong;
2. Explore for **new gold reefs**; and
3. Investigate **porphyry copper potential**.

1. Test Near Surface Resource

Grab samples taken from dumps at various locations in the area of the old mine workings north of West Wyalong yielded an average of 6.8 g/t gold (see Figure). Preliminary geochemical soil sampling of the old mine workings has also yielded encouraging results. A total of 95 soil samples were taken on a 100m by 25m grid in the southern part of the old mine workings. A number of samples returned assay values of over 1 g/t gold and 30 samples taken over an area of 200m by 225m (45,000 sq m) returned an average of 0.41 g/t gold. This substantial gold anomaly requires further detailed grid sampling prior to reverse circulation percussion drilling.

These results reinforce management's belief that there are substantial gold resources left between old reefs.

2. New Gold Reefs

Five holes drilled into the Mallee Vale Gold Reef (see Figure) returned the following best results:

MV95-1	2m at 6.85 g/t gold from 32m
MV95-2	3m at 2.47 g/t gold from 45m

A geochemical soil anomaly was located on an east west line approximately two kilometres west of Pine Ridge (see Figure). The anomaly is 500m wide with values up to 0.47 g/t gold. Follow up sampling is required to determine its centre and strike extent.

3. Porphyry Copper Potential

Preliminary results from the airborne electromagnetic survey flown over the entire 290 sq km tenement in February and announced to the Stock Exchange on 29 March have enhanced the potential for both porphyry copper and epithermal style gold mineralisation.

PIPELINE RIDGE, NSW (GCR 100%)

Grid drilling of 86 reverse circulation percussion holes has commenced in the vicinity of the company's supergene inferred gold resource of 26,000 oz down to 25m. The holes will be drilled to a depth of 43m on a 20m grid spacing. The company aims to bring the inferred resource to measured resource status and to increase its size.

Deep drilling to commence, after interpretation of results from 86 hole programme, with the aim of increasing the size of inferred resource of 216,000 oz (2.8Mt at 2.4 g/t).

SARONA DOWNS, NSW (GCR 100%)

Regional soil sampling and geophysical surveys were conducted over the entire 110 sq km tenement. Soil sampling has indicated a number of gold, arsenic and base metal anomalies requiring follow up work. The correlation between the geochemical and geophysical data is being examined.

BROKEN HILL, NSW (GCR 100%)

A regional stream sediment sampling programme was conducted on the Broken Hill tenement. Assay results are awaited.

OTHER PROJECTS:

Buddigower, NSW (GCR 100%) A ground magnetic survey is currently in progress.

Eaglehawk, NSW (GCR 100% owned/option) Further drilling is planned.

Trunkey Creek, NSW (GCR 100%) A number of drilling targets have been identified.

Warraderry, NSW (GCR 100%) A regional soil sampling and geophysical survey is currently in progress.

WA Programme:

GLENGARRY BASIN, WA (GCR 51%, earning 70% from Lac Minerals (Australia) N.L. and Horseshoe Gold Mine Pty. Ltd.)

Heines Find and Dead Horse Well

Preliminary results of helicopter borne magnetic surveys reveal increased potential for gold mineralisation on both tenements, with several new targets generated. A drilling grid is presently being established at Heines Find East for resource definition. Drilling is scheduled for May 1996. Regional soil sampling and geophysical surveys have indicated numerous anomalies requiring follow up work.

Telegraph and Mikhaburra

Regional soil sampling and geophysical surveys have indicated numerous anomalies. Further sampling and surveys are required before drilling is to proceed.

MAYNARD HILLS, WA (GCR earning 70% from Barranco Resources N.L.)

Regional soil sampling and geophysical surveys over the 196 sq km tenement have indicated anomalies requiring follow up work.

DAVID TIMMS
MANAGING DIRECTOR

This report has been compiled by a person who is a member of the AusIMM and has had a minimum of five years experience in the field of activity in which he is reporting.

Directors

David Timms	<i>Managing Director</i>
Alfred Mather	<i>Director</i>
John Hill	<i>Director</i>
Daven Timms	<i>Executive Director & Company Secretary</i>

**PLEASE NOTE NEW ADDRESS AND
PHONE FROM 26 APRIL 1996:**

Principal Office

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Hornsby NSW 2077

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Issued Capital

At 30 March 1996 the issued capital was 34,818,136 shares of 25 cents par value, 9 million options exercisable by 31.10.98 and 4,459,058 options exercisable by 30.9.98.

Shareholder Enquiries

Matters relating to shares held and change of address should be directed to the share registry:

Registries Limited
Level 1, 220 George Street
Sydney NSW 2000
Ph: (02) 247 8252