



QUARTERLY REPORT SEPTEMBER 2010

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28 October 2010

HIGHLIGHTS

Copper Hill

- Substantial increase in Copper Hill JORC Resource
- 30% increase to 173 million tonnes grading 0.31% copper and 0.26 g/t gold
- Containing 535,000 tonnes copper and 1.47 million ounces of gold
- High copper and gold prices support robust economics at Copper Hill
- Copper Hill Feasibility Study continues
- Exploration drilling continuing to test extensions to north and south
- Metallurgical drilling continuing
- Oxide zone (<0.2% copper) to be drill tested to define gold distribution; potential for additional gold
- Metallurgical, Geotechnical and Engineering Consultants in place

Other

- Mulga Tank soil sampling extension program completed
- Cargo program to test new gold lodes approved
- Joint Venture progress:
 - Good phosphate drill results at Mount Isa
 - Steady progress by MMG at Wagga Tank and Gilgunnia Range near Cobar
 - Paradigm Metals commences drilling at Yellow Mountain
 - On 8 October 2010, Silver City Minerals Limited farmed in to Broken Hill
- More positive signals from Panama

Activities

Copper Hill

Feasibility studies at Golden Cross' 100%-owned Copper Hill porphyry copper-gold project near Molong, NSW continued during the Quarter. At current metal prices of A\$8460/tonne for copper (\$US3.80lb, & \$A=\$US0.99) and A\$1350/oz gold (\$US1340/oz, & \$A=\$US0.99), the project continues to look promising.

Since the end of the Quarter, resource consultants Hellman & Schofield (H&S) completed a new resource estimate. The tonnage has increased by 30%, adding 40 million tonnes of copper-gold resources. The estimate was generated using historical and recent drill results for holes up to GCHR311 in the current, on-going, drilling program. The block model boundaries were increased to include an additional 16 drill holes for 3,018 metres bringing the totals to 534 holes and 69,643m of drilling.

The revised resource estimate is set out below, showing several cut-off grades.

Copper Cut-off (%)	Tonnes (Mt)	Copper (%)	Gold (g/t)	Contained Copper (Kt)	Contained Gold (M oz)
0.10	505	0.199	0.174	1,006	2.83
0.20	173	0.310	0.264	535	1.47
0.30	66	0.423	0.367	281	0.78

The resource is categorised as shown below:

Category	Tonnes (Mt)	Copper (%)	Gold (g/t)	Contained Copper (Kt)	Contained Gold (M oz)	% of Tonnes
Measured	75	0.342	0.324	258	0.79	43
Indicated	64	0.292	0.227	186	0.46	37
Inferred	34	0.273	0.200	91	0.22	20
Total	173	0.310	0.264	535	1.47	100

Note:

The Measured, Indicated and Inferred Resource Estimates are reported under the 2004 JORC Code and Guidelines.

Search parameters for the categories are:-

Measured = 40m x 45m x 40m (minimum 12 data points);

Indicated = 60m x 65m x 60m (minimum 10 data points);

Inferred = 100m x 110m x 100 (minimum 6 data points)

Approximately 43% of the resource at a 0.2% copper cut-off grade is now classified as Measured, 37% as Indicated, and 20% Inferred. Primary mineralisation comprises 96% of the resource tonnes, with 2% supergene/transition and 2% oxide copper, as shown below:

Zone	Tonnes (Mt)	Copper (%)	Gold (g/t)	Contained Copper (Kt)	Contained Gold (M oz)	% of Tonnes
Primary	166	0.309	0.265	512	1.41	96
Transition	3	0.351	0.267	12	0.03	2
Oxide	4	0.296	0.243	11	0.03	2
Total	173	0.310	0.264	535	1.47	100

The resource estimates were performed using ordinary kriging, constrained above and below the base of oxidation and by the Western Fault, but otherwise unconstrained. The different mineralisation types and the orientation of the primary mineralisation domains were determined from Golden Cross' geological interpretation.

Block densities were modelled using the results from 525 samples taken of drill core from GCHR046 and above. Densities were determined by classical methods on site with check measurements, comprising approximately 10% of the bulk density samples, conducted at Australian Laboratory Services (ALS) in Orange, NSW.

Note: Golden Cross provided the drill hole database, which H&S has accepted in good faith as being reliable, accurate and complete. Golden Cross also supplied a detailed geological interpretation of the Copper Hill deposit, which formed the framework for the resource estimates. H&S has not validated the Golden Cross database or geological interpretation in any detail, so responsibility for these aspects of the resource estimates, including the quality of the data, resides with Golden Cross.

For Golden Cross drill holes drilled since and including GCHR080, two metre samples for assay from Reverse Circulation Percussion (RCP) holes were obtained using either a riffle splitter or a Metzke cone splitter. GCHR prefixed RCP drill holes previous to that were sampled using a spear. All Golden Cross cored holes were sampled using half drill core on two metre intervals for NQ core and one metre intervals for HQ core. Analyses were undertaken at ALS Orange using 50g Fire Assay (Method AA26) for gold and ICP41 for copper and a suite of other elements, with re-assay of ore grade samples by OG34. Standards and blanks were inserted into the sample stream at regular intervals, nominally 25 metres. Duplicate samples were submitted every 20 samples for RCP holes.

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Golden Cross' primary focus is to progress its 100%-owned Copper Hill project to production. A Feasibility Study is underway and due for completion in early 2012.

Exploration and infill drilling is continuing at Copper Hill to test the oxide gold zones not included in the current resource and a five hole metallurgical and geotechnical core drilling program is in progress. During the September quarter, three holes were drilled (GCHR312-315) consisting of 496 metres of PQ coring. Assays will be reported as they are received.

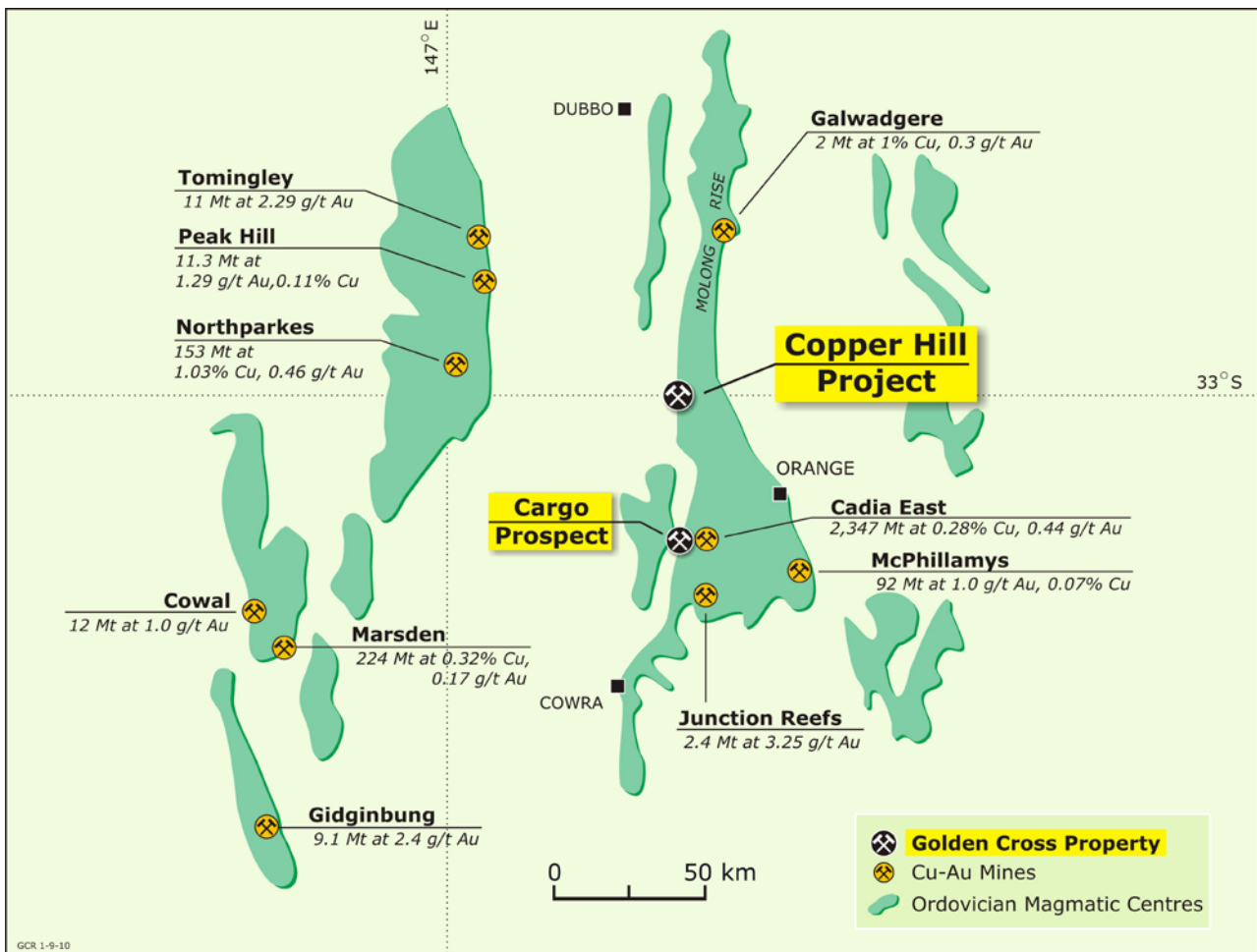
Metallurgical studies continue in the quest to improve copper and gold recoveries and determine the optimum treatment strategy. The preferred option remains to produce a total sulphide concentrate on site, rail this to a purpose-built roaster – acid plant – SX-EW copper

– CIP/CIL gold complex in Port Pirie and produce copper metal for export, gold bullion for sale and sulphuric acid for the expanding South Australian market.

Alternatively a higher grade concentrate grading +25% copper and +15g/t gold could be produced on site at Copper Hill for sale directly to an overseas smelter. While reducing up-front capital costs, this option might, on the basis of early metallurgical results, result in lower copper and gold recoveries overall. On-going metallurgical test work, capital cost estimates and financial modelling will determine the final outcome. New pit optimisations, using costs from comparable projects and emerging from the feasibility study, are being processed at AMDAD Mining Consultants in Brisbane.

Stage 1 of the feasibility study for Copper Hill is continuing with project capital cost estimates due for delivery in early 2011. Environmental monitoring will continue over a 12 – 18 month period during which Golden Cross will meet all State Government planning requirements.

Investors are reminded of Copper Hills' excellent location, infrastructure and local support.



Mulga Tank, WA.

The Mulga Tank project area contains soil anomalies derived from ionic leach processing of samples. Subsequent air core drilling of the anomalies returned a best result of 12 metres grading 51 ppb gold. The success of the ionic technique in defining coherent surface anomalies in areas of deep regolith supported by follow-up drilling is encouraging. Additional soil sampling was undertaken during the September Quarter to provide in-fill data and test for extensions of the anomalies into new areas.

The first results received correspond well with the tenor and location of the 2008 anomalies verified by air core drilling. The in-fill data confirm and extend existing zones of soil gold defined by 0.5ppb and 1ppb gold. Further evaluation in conjunction with other elements and synthesis with geophysical and geological data is underway.

Canbelego and Rast, NSW

Golden Cross maintains an active presence in the promising Nymagee region through farm outs and wholly owned tenement packages.

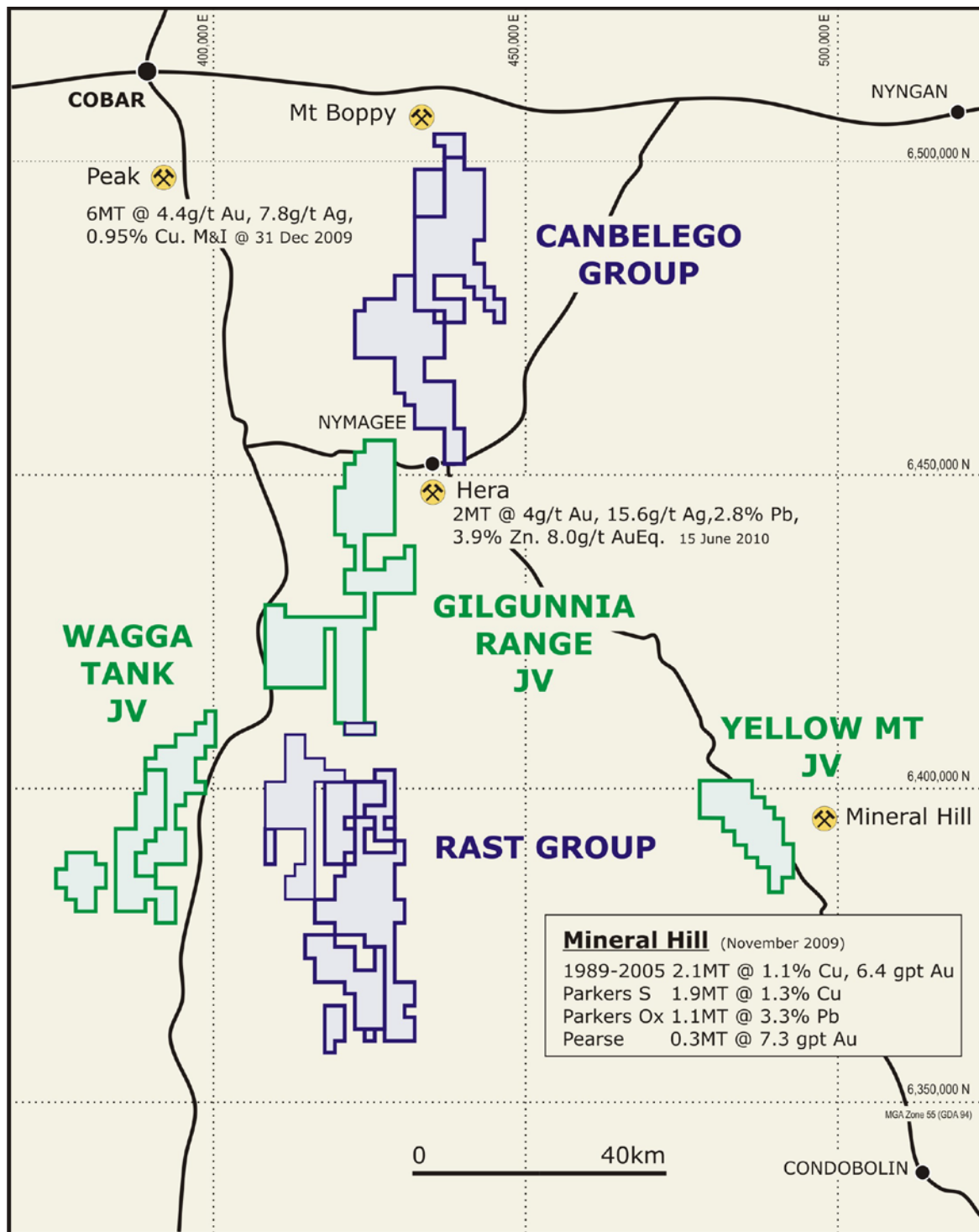
Data from the VTEM survey over Rast and Burra in early 2010 have been processed using Target-TEM software, highlighting a large number of conductive responses. Evaluation of these is proceeding by synthesis with conductivity depth images and geological-geochemical data.

Following the success of the ionic leach technique for analysis of soils in Western Australia in similar deeply weathered terrain and transported cover, Golden Cross plans to trial the technique over the Rast licences.

Yellow Mountain Joint Venture, NSW (Paradigm Metals Ltd earning 51%)

During the Quarter, the Yellow Mountain Joint Venture (Figure 2) was restructured to admit Paradigm Metals under an option agreement whereby Paradigm will undertake preliminary drilling and further expenditure to earn up to 51% interest in EL6325, at which time Golden Cross will have a 30% interest and Triako Resources 19%.interest.

Initial air core drilling returned 8m 2 1.0 g/t Au from 14m. Further drilling is planned.



Cobar Region Projects

South Australia

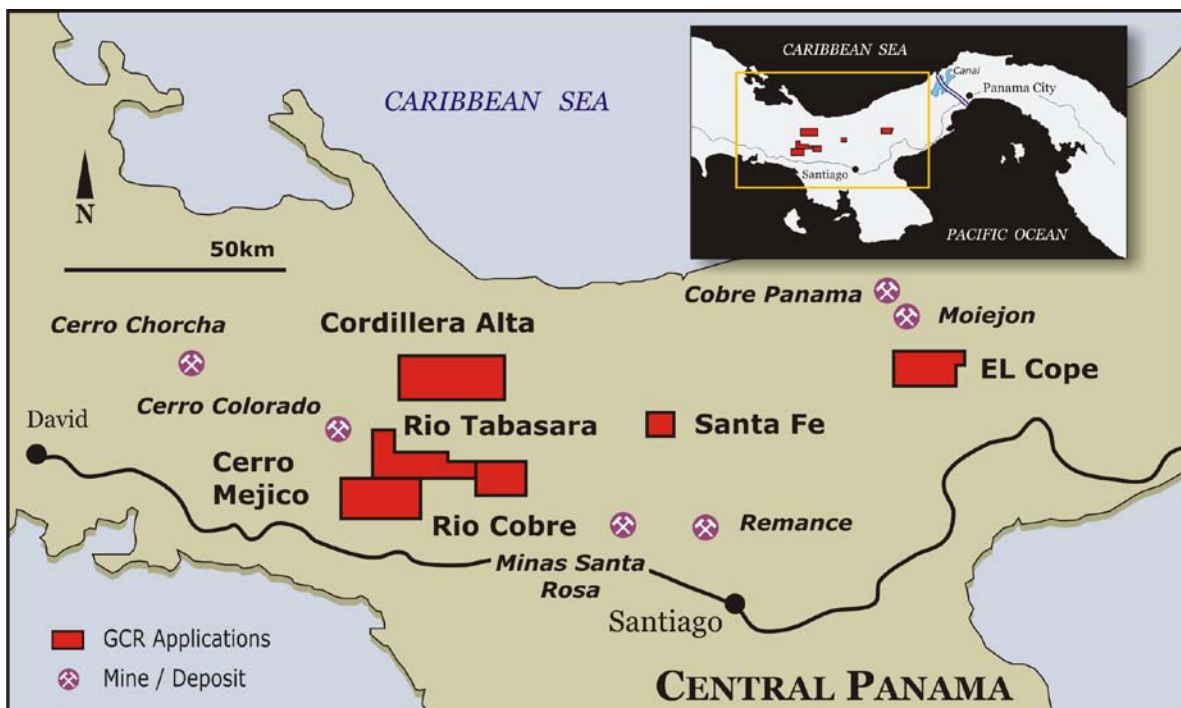
Three exploration licences east of Coober Pedy, have been granted over co-incident gravity/magnetic targets in the northern Gawler Craton. Ground geophysical surveys are planned to clarify the anomalies and extend the data coverage at sufficient density to define drill targets.

A request for access to the Woomera Prohibited Area to facilitate further exploration is pending, and is expected to be settled in the December Quarter.

Panama

The Republic of Panama forms part of the copper-gold-silver super-province of the western Americas, extending from Tierra del Fuego in the south to Alaska in the north. Panama hosts several large porphyry copper deposits Cobre Panama (+ 2 billion tonnes @ 0.5% copper) owned by Inmet Mining and Cerro Colorado (+ 1.7 billion tonnes @ 0.64% copper), currently owned by the Panamanian Government

GCR has applications for six large tenements over prospective terrain between these two giant deposits.



GCR has recently advanced the "Cordillera Alta" concession, with arrangements now in place for the indigenous people (the Comarca) agreeing to elevate the concession to "eligibility status". This is the first of Golden Cross' concessions to reach this level, in which publication in the official government gazette, and posting of edicts in community centres is a precursor to the granting of title. This process is continuing and the progress is very welcome. Additional discussions will be held with the Comarca, although elections mean no decisions are expected before early 2011.

Mt Isa Phosphate Joint Venture, QLD (Legend International earning 80% in Phosphate only)

Through its ownership of phosphate deposits at Highlands Plains East, Sherrin & Lily Creek and Quita Creek, Golden Cross controls approximately 38% of the phosphate resource being evaluated by Legend International.

Preliminary assay results from 13 holes drilled in June returned assays up to 8m @ 25% P₂O₅ at Sherrin Creek while Lily Creek returned generally lower grades around 8% P₂O₅. Follow-up core drilling is planned.

Broken Hill Joint Venture, NSW (Silver City Minerals Limited earning 51%, then 80%)

Since the end of the Quarter, on 8 October 2010, Golden Cross and Silver City Minerals Limited signed a heads of agreement by which Silver City can earn a 51% interest in gold, silver and base metals (but excluding nickel-platinum group metals) in the Broken Hill tenement (EL7390) by spending \$600,000 by 8 October 2015. Silver City can earn an additional 29% to a total of 80% by spending another \$400,000 on exploration and development activities in the subsequent two years to 8 October 2017.

About Golden Cross Resources

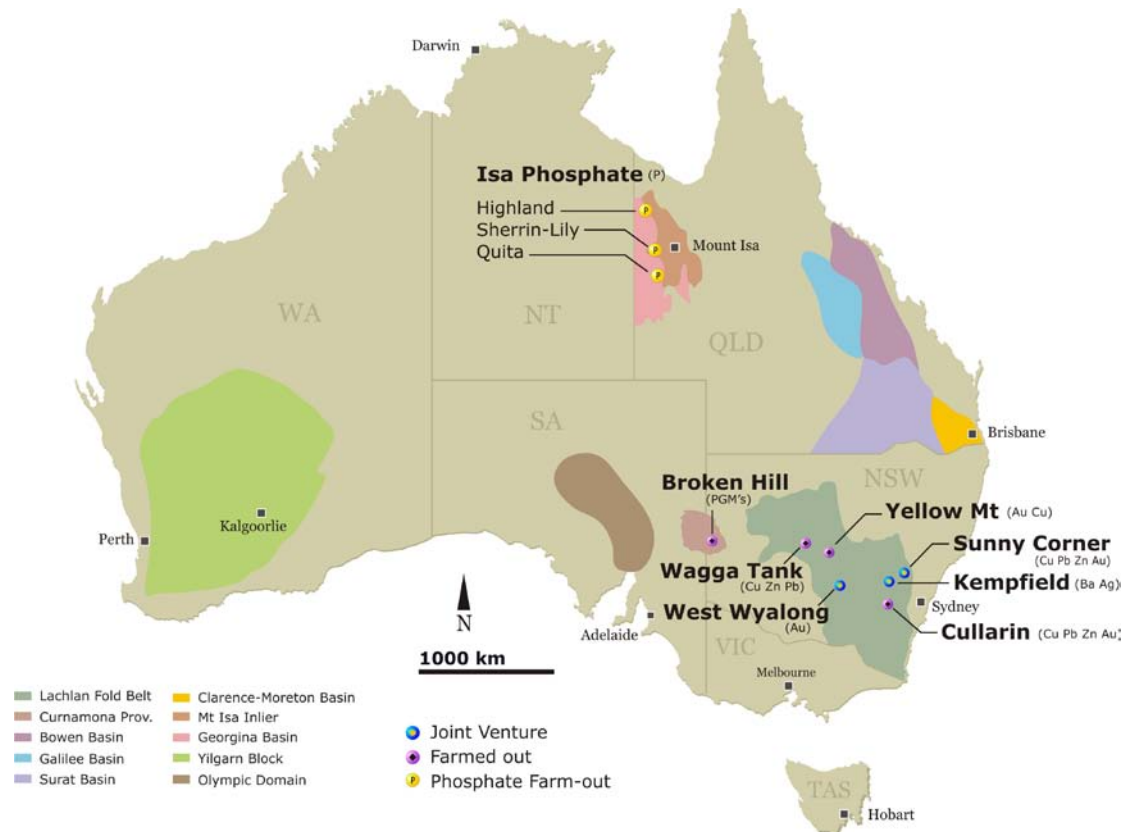
Golden Cross is a multi-commodity global explorer, which has formed a strategic alliance with CUMIC subsidiary HQ Mining Resources Holding Limited providing access to mining consultants, capital and mining and processing equipment from China. Golden Cross is continuing to progress its 100%-owned copper-gold Copper Hill Project. Large prospective areas are under application for copper and gold in Panama and coal in Queensland. Golden Cross holds substantial phosphate resources in Queensland. Golden Cross, backed by CUMIC, is seeking new mineral exploration and development opportunities focusing on copper and gold in Australia, the Americas and southern Africa.

About China United Mining Investment Corporation (CUMIC)

CUMIC is a privately owned, Beijing-based investment company specialising in mineral and mining investment. CUMIC has a portfolio of exploration and mining assets in various parts of the world, focusing on iron, copper and gold. CUMIC developed and controls the Mongolia Eleet River Iron and Steel Company, a major iron ore mining company.



GCR 100% -owned projects



GCR Joint Venture Projects (Farm-outs)

Compliance Statements

The Resource Estimates were calculated by Dr Phillip Hellman, a full-time employee of Hellman & Schofield, Consulting Geologists and specialists in resource estimation and geostatistics. Dr Hellman is a Fellow of the Australian Institute of Geoscientists (AIG), has more than five years experience in the field of activity in which he is reporting and consents to his report being incorporated into this announcement in the context in which it appears above.

Golden Cross Resources is responsible for the resource database data quality and geological interpretation, which were compiled under the direction of Kim Stanton-Cook, Managing Director. Mr Stanton-Cook is a full time employee of Golden Cross Resources Ltd, a Member of the AIG and has more than five years' experience in the field of activity in which he is reporting.

The information in this report that relates to Exploration Results is based on information compiled by Kim Stanton-Cook, who is a member of the Australian Institute of Geoscientists, is a full-time employee of Golden Cross, and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Kim consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Corporate Directory

Board of Directors

Chris Torrey	Chairman
Kim Stanton-Cook	Managing Director
Li Xiaoming	Non Executive Director
Suzanne Qiu	Non Executive Director
David Timms	Non Executive Director
Daven Timms	Alternate Director for Mr Timms
Li Yan	Alternate Director for Mr Li

Company Secretary

Simon Lennon

Issued Share Capital

Golden Cross Resources Ltd has 1,361 million ordinary shares on issue and 453.7 million 2011 share options listed on the ASX.

Registered Office

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Please direct shareholding enquiries to the Share Registry.