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ASX ANNOUNCEMENT

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Five Drilling Programs Planned for December/January

Drilling programs totalling around 3,000 m are presently underway/recently completed on GCR properties at Cargo and Yellow Mountain, with results due out in January. A drilling program at Canbelego has recently been completed and results are set out below.

A further 3,000 m to 4,000 m of drilling is scheduled to commence in January at Broken Hill, Canbelego, Yellow Mountain and Copper Hill, with results due out by late February.

The drilling programs scheduled for January include drilling of "the Tip" gravity anomaly, situated just 1.8 km west of the world-famous Broken Hill orebody, in what could be an extension of the Broken Hill ore zone (see below for details).

December Drilling

- At **Cargo** Falcon Minerals has commenced a program of approximately 1,500 m of deep RC drilling also to test for Ridgeway-style mineralisation near the centre of the Cargo intrusive complex. Cargo is located 11 km due west of the Ridgeway deposit in a similar geological setting. The Ridgeway deposit contains indicated and measured resources of 58 Mt at 2 g/t gold and 0.66% copper (Newcrest Mining Annual Report 2004).
- At **Yellow Mountain** joint venture partner Triako (earning 70%) has recently completed an aircore drilling program to test the extent of gold mineralisation on the large regional Melrose magnetic anomaly, which hosts the Fountaindale prospect, a newly-discovered gold-bearing granite intrusive complex.
- At **Canbelego** GCR (100%) has completed 1,300 m of RC drilling to test for gold and copper mineralisation in the vicinity of the Mt Boppy Gold Mine.

As announced to ASX on 20 December 2004, at the Burra prospect, approximately 6 km southeast of the Mt Boppy Gold Mine, drill hole GCB-72 encountered sulphide mineralisation, returning 12 m at 1.9% copper from 136 m, including 2 m at 6.8% copper, 0.4 g/t gold and 14 g/t silver from 144 m. Surface electromagnetic surveys and follow-up drilling are scheduled for January.

At the Birthday prospect, broad zones of anomalous gold mineralisation were intersected by drilling, with grades ranging from 0.2 to 0.5 g/t gold. For example, hole GCB-63 returned 64 m at 0.2 g/t from 36 m. Re-sampling of the previously reported intersection in hole GCB-56 (2 m at 28.5 g/t gold) indicates that most of the gold is hosted in the interval from 6 m to 7 m, with a new sample returning 25.1 g/t gold over that interval.



January Drilling

- At **Broken Hill** Sipa (may earn 70% through completion of a bankable feasibility study) plans to drill the Tip anomaly. The hole will be designed to intersect the large gravity anomaly detected at depth by the Falcon™ survey and is likely to extend to 500 m below surface. Geological interpretation suggests that the Broken Hill ore zone may exist at the Tip, emplaced by complex structural deformation. The Broken Hill orebody is the largest silver-lead-zinc orebody in the world and lies only 1.8 km to the east of the Tip anomaly.
- At **Canbelego** a program of follow-up drilling for gold mineralisation will target extensions of the Mt Boppy Gold Mine, the Birthday prospect and a new target 3 km north of the mine known as Hardwicks. In addition GCR plans to drill a deeper hole at the Burra prospect to test the extent of the copper-sulphide zone identified to date.
- At **Yellow Mountain** deep RC drilling at the Quarry Hill and Claytons Dam prospects is designed to test for mineralised structures beneath zones which have yielded encouraging gold results to date.
- At **Copper Hill** GCR (100%) will drill-test for Ridgeway-style gold-copper mineralisation associated with intrusive rocks. A number of targets have been identified and work will commence as soon as a drilling rig becomes available. To date an inferred resource of 4.9 Mt at 0.7% copper and 0.9 g/t gold has been identified at Copper Hill (GCR September 2004 Quarterly Report).

GCR will release material results to the market when they are to hand.

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Golden Cross is a gold and base metals explorer, searching in NSW for large deposits in highly prospective mineral belts, providing significant potential upside for the speculative investor.

The Company holds significant mineral tenement positions within the Lachlan Fold Belt, which contains Cadia-Ridgeway, the highest gold site revenue earner in Australia. Golden Cross also holds a major land position in the Curnamona Province of western NSW, which contains the world class Broken Hill orebody, the largest deposit of its type in the world.

This report was prepared by David Timms, full time employee of Golden Cross Resources Ltd, who is a Fellow of the AIG and has more than five years experience in the field of activity in which he is reporting.