



GOLDEN CROSS RESOURCES LTD

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GCR ANNOUNCES ENTITLEMENT ISSUE AND BONUS ISSUE

Golden Cross Resources announces an entitlement issue and bonus issue to shareholders.

Entitlement Issue of New Shares and Options

The entitlement issue will be on the basis of 2 new shares offered for subscription, at 3.5 cents per share, for every 5 shares held. Every two shares issued will be accompanied by one option, exercisable at 5 cents by 30 September 2006, for no additional consideration. The entitlement issue will, if fully subscribed, raise approximately \$3 million. The Board will retain the right to place any shortfall and is in discussion with potential underwriters.

The entitlement issue will be non-renounceable, but in order to provide a benefit for those shareholders who may not be in a position to take up their entitlement, the Company will undertake a bonus issue of options to all shareholders.

The record date for determining entitlements under the non-renounceable entitlement issue will be 29 November 2005, with GCR shares trading "ex-entitlement" from 23 November 2005.

Bonus Issue of Options

The bonus issue will be on the basis of 1 free (5 cents, 30 September 2006) option for every five shares held. The new shares issued under the entitlement issue will not be entitled to participate in the bonus issue.

The record date for determining entitlements to the bonus issue of options will be 22 December 2005, with GCR shares trading "ex-bonus" from 16 December 2005.

Use of Funds Raised

The funds raised from the entitlement issue will be used primarily to advance the Company's Copper Hill property. GCR Chairman, Christopher Ryan, said in his address to shareholders at the 2005 AGM, released earlier today:

"Copper Hill represents a significant minerals project to Golden Cross. We believe it is the third largest copper-gold porphyry system in NSW apart from Northparkes and Cadia Valley. The footprint of mineralisation is comparable to other deposits in NSW and elsewhere, notably Cadia Hill.

It will be evident from all of this that Copper Hill will require all our efforts, focus and resources of personnel and money during 2006. To this end we must ensure the Company is well funded to take the project through to a decision to undertake a full bankable feasibility study."