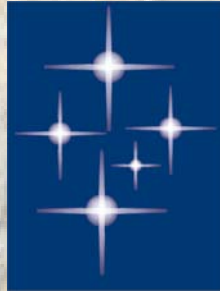


Golden Cross Resources Ltd

ABN 65 063 075 178



PROSPECTUS

for

**a non-renounceable entitlements offer to shareholders of
2 new shares and 1 free option for every 5 shares held
at an issue price of 3.5 cents per share**

and

**the placement of the shortfall of shares and options
from the entitlements offer, if any**

and

a bonus issue of 1 option for every 5 shares held

The entitlements offer and shortfall offer close at 5:00 pm on 19 December 2005

THE OFFER IS NOT UNDERWRITTEN

SHAREHOLDERS MAY APPLY FOR SHORTFALL SHARES AND OPTIONS, IF ANY

This Prospectus is important and requires your immediate attention. It should be read in its entirety. If you do not understand it, you should consult your sharebroker, accountant or other adviser without delay in order to satisfy yourself as to the contents of this Prospectus. This offer should be considered speculative and read in conjunction with the risk factors outlined in this Prospectus.

CORPORATE DIRECTORY

Directors

Christopher Ryan, BEcon, MBA, FAusIMM, ASIA, MPESA, *Chairman*

David Timms, BSc (Hons), PEng, FAIG, FAusIMM, *Managing Director*

Kerry McHugh, BCom (Hons)
Non-executive Director

Chris Torrey, BSc, MSc, MAIG, FSEG, RPGeo
Director – Exploration

Company Secretary and Alternate Director

Daven Timms, BSc LLB (Hons), AMPLA, ASIA, MAusIMM

Registered Office

22 Edgeworth David Avenue
HORNSBY NSW 2077, AUSTRALIA

Phone +612 9482 8833
Facsimile +612 9482 8488
Email info@goldencross.com.au
Web Site www.goldencross.com.au

Auditors

Ernst & Young
680 George St
SYDNEY NSW 2000, AUSTRALIA

Share Registry

Registries Limited (ACN 003 209 836)
Level 2, 28 Margaret Street
SYDNEY NSW 2000, AUSTRALIA

PO Box R67
Royal Exchange
SYDNEY NSW 1223, AUSTRALIA

Phone +612 9290 9600
Facsimile +612 9279 0664
Email registries@registriesltd.com.au
Web Site www.registriesltd.com.au

ASX Listing Code

The Company's ASX listing code is GCR

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Cover: Copper-gold bearing sheeted veins in drill core from the Saddle zone at the Copper Hill project. Copper minerals pictured include chalcopyrite and bornite.



CHAIRMAN'S LETTER

Dear Shareholders and/or Investors,

This Prospectus relates to the first rights issue that Golden Cross Resources Ltd has made in the 10 years that the Company been an ASX listed company. In the past our capital raisings have been by way of share placements or issues under a share purchase plan.

The decision by the Board to offer a rights issue at this time was influenced by two key factors:

- the historically low price of the Company's shares;
- the strong encouragement that is evident from the recent drilling at Copper Hill.

In order to move the Copper Hill project forward at a rate which is considered appropriate given the drilling results, a larger capital raising than has previously been made by the Company was called for. The Board felt that it would be equitable in the circumstances for the new shares and options to be issued to be offered in the first instance to the shareholders, firstly in the form of a non-renounceable entitlement and secondly as a right for shareholders to apply for as many as they wish of the shortfall of shares and options resulting from the entitlements offer.

The Company will seek to place with market investors any shortfall that remains after allocations to successful Shareholder Shortfall Offer applicants.

The rights issue comprises the offer of two new shares at 3.5 cents each plus one free September 2006 option exercisable at 5 cents, for every five shares held. It will involve the offer of slightly in excess of 87 million new shares, and will raise approximately \$3 million if all the shares are issued.

In recognition that some shareholders may find the entitlement application beyond their means, the Company is to make a one for five bonus issue of September 2006 options to all shareholders holding shares on 16 December 2005. The September 2006 options are designed to serve two purposes. The bonus issue is to reward shareholders for their loyalty to the Company. Just as importantly, if the Copper Hill project progresses well, there is a good chance that the 87 million September 2006 options will all be exercised, and this will raise a further \$4 million.

The September 2006 options will be listed for quotation and will provide a leveraged exposure to the outcome of the Company's endeavours over the next 10 months.

Since the Company was floated, it has been largely focussed on discovering a company making orebody. While it is still too early to say it with any certainty, we have high hopes that the Copper Hill project will deliver that result.

A handwritten signature in black ink, appearing to read 'Chris Ryan', with a long horizontal flourish extending to the right.

Christopher Ryan
Chairman

Sydney, 18 November 2005



1. TIMETABLE OF IMPORTANT DATES

1.1 Entitlements Offer of New Shares and Options

Announcement of Entitlements Offer	9 November 2005
Date of Lodgement of Prospectus with ASIC and ASX	18 November 2005
Despatch of preliminary Notice to Shareholders	21 November 2005
Date on which GCR's shares trade ex-entitlement to the New Shares and Options (but not the Bonus Issue Options – see 1.3, below)	23 November 2005
Record Date for determining Entitlement to New Shares and Options	29 November 2005
Prospectus and Entitlements and Acceptance Form despatched	5 December 2005
Offer closes - latest date for acceptances and payment in full	19 December 2005
Despatch Date - last day for New Shares and Options to be entered into shareholders' holdings	28 December 2005

1.2 Shortfall Offer of New Shares and Options

Announcement of Shortfall Offer	9 November 2005
Date of Lodgement of Prospectus with ASIC and ASX	18 November 2005
Prospectus and Shortfall Application Form despatched	5 December 2005
Offer closes - latest date for acceptances and payment in full	19 December 2005
Despatch Date - last day for New Shares and Options to be entered into shareholders' holdings	28 December 2005

1.3 Bonus Issue of Options

Announcement of Bonus Issue	9 November 2005
Date of Lodgement of Prospectus with ASIC and ASX	18 November 2005
Prospectus despatched	5 December 2005
Date on which GCR's shares trade ex-entitlement to the Bonus Issue	16 December 2005
Record Date to determine participation in Bonus Issue	22 December 2005
Despatch Date - last day for Options to be entered into holder's Option holdings	28 December 2005

The dates in both tables above are indicative only and may vary. The Company reserves the right to vary the opening and closing dates of the offers without prior notice. This may impact upon subsequent dates. Applicants are encouraged to apply as soon as possible after the Entitlements Offer opens as it may close earlier than the date specified. The Company reserves the right not to continue with the Entitlements Offer at any time before the allotment of shares to successful applicants.



2. IMPORTANT INFORMATION AND NOTICES

This Prospectus is dated 18 November 2005. A copy of this Prospectus was lodged with ASIC on that date. Neither ASIC nor ASX is responsible for the contents of this Prospectus.

The shares offered under this Prospectus are in a class of shares that are listed for quotation on a stock market of ASX. The options offered under this Prospectus are in a class of options that are not presently listed for quotation on a stock market of ASX. The Company has applied to ASX for quotation of the options.

No securities will be issued on the basis of this Prospectus after the Prospectus Expiry Date, which is 13 months after the date of this Prospectus.

All monetary amounts referred to in this Prospectus are expressed in Australian Dollars.

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. The distribution of this Prospectus in jurisdictions outside Australia (other than New Zealand) may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

No person is authorised to give any information or make any representation regarding the offers under this Prospectus. Any information or representation in relation to the offers that is not contained in this Prospectus may not be relied upon as having been authorised by the Company or its Directors.

Defined terms and abbreviations used in this Prospectus are explained in section 10 of this Prospectus.

3. DETAILS OF OFFERS

The Offers under this Prospectus comprise the Entitlements Offer, the Shortfall Offer and the Bonus Issue.

Subscribers to the Entitlements Offer or Shortfall Offer will not be eligible to participate in the Bonus Issue in respect of their New Shares.

3.1 Entitlements Offer

This Prospectus invites Shareholders to participate in a pro-rata non-renounceable Entitlements Offer of approximately 87,104,000 New Shares on the basis of two New Shares for every five Shares held on the Entitlements Record Date of 29 November 2005, at an issue price of 3.5 cents per New Share. Fractional entitlements will be rounded up. One Option, exercisable at 5 cents by 30 September 2006, will be issued for no additional consideration for every 2 New Shares subscribed. On exercise, each Option will entitle the option holder to one Share.

The Entitlements Offer will comprise approximately 87,104,000 New Shares and approximately 43,552,750 Options and will raise approximately \$3,000,000 (after deducting expenses of the Entitlements Offer, estimated to be \$50,000) if all entitlements are taken up.

3.2 Shortfall Offer

This Prospectus invites Shareholders and investors to participate in the Shortfall Offer. One Option, exercisable at 5 cents by 30 September 2006, will be issued for no additional consideration for every 2 New Shares subscribed. On exercise, each Option will entitle the option holder to one Share. See section 3.5, below, for further details.



3.3 Bonus Issue

In addition to the Entitlements Offer and Shortfall Offer, this Prospectus also provides for a Bonus Issue of approximately 43,552,750 Options on the basis of one Option for every five Shares held on the Bonus Issue Record Date of 22 December 2005, to be issued for nil consideration. Fractional entitlements will be rounded up. The Options are exercisable at 5 cents by 30 September 2006. On exercise, each Option will entitle the option holder to one Share.

In relation to the Bonus Issue, ASIC Class Order 00/1092 exempts GCR from the requirement that:

- This Prospectus include or be accompanied by an application form; and
- GCR may only issue Options under this Prospectus to a person who has submitted an application form distributed with this Prospectus.

3.4 No Minimum Subscription

There is no minimum subscription for the Entitlements Offer.

3.5 Entitlements and Acceptances

Entitlements to New Shares and Options under the Entitlements Offer are non-renounceable.

- **If Shareholders decide to accept all or part of their Entitlement**

Shareholders should complete the Entitlements and Acceptance Form in accordance with the instructions set out on the reverse of that form and, if not applying for their maximum entitlement of New Shares and Options, insert the number of New Shares and Options for which Shareholders wish to apply.

- **Acceptances may not exceed Shareholders' Entitlements as shown on the Entitlements and Acceptance Form. However should Shareholders wish to apply for more New Shares and Options than their Entitlement they may also apply for Shortfall Shares and Options by completing the Shortfall Application Form accompanying this Prospectus**

If Shareholders wish to participate in the **Shortfall Offer** they should complete the Shortfall Application Form in accordance with the instructions set out on the reverse of that form and insert the number of Shortfall Shares for which they wish to apply.

Allocation of Shortfall Shares and Options will be subject to the Directors' discretion.

Directors reserve the right to allot all or part of the Shortfall Shares within three months after the Closing date of this Offer, subject to any requirement for shareholder approval. Directors and their associates are not eligible to apply for Shortfall Shares.

- **If Shareholders decide not to accept all or part of their Entitlement, New Shares and Options not accepted will revert to the Company**

The Directors will have the right to place any Shortfall Shares and Options within three months after the close of the issue and in those circumstances Shareholders will receive no benefit in respect of their Entitlement.



3.6 Completed Forms and Payment

Please ensure that the completed Entitlements and Acceptance Form (and any Shortfall Application Form you may wish to lodge) together with your cheque or complete with your credit card details in settlement is received by the Company's Share Registry by hand, mail, fax or email (as appropriate) as set out below no later than 5.00 pm Sydney Time on Monday 19 December 2005 or such later date as the Directors advise. A reply-paid envelope accompanies this Prospectus, for your use in returning your form(s).

Address to Send Forms, or for Lodgement Queries

Registries Limited
Level 2, 28 Margaret Street
SYDNEY NSW 2000, AUSTRALIA

PO Box R67
Royal Exchange
SYDNEY NSW 1223, AUSTRALIA

Phone +612 9290 9600
Facsimile +612 9279 0664
Email registries@registriesltd.com.au

Payment by Cheque

Cheques should be made payable to "Golden Cross Resources Ltd – Entitlements Offer" and crossed "Not Negotiable". You need only lodge one cheque in respect of an Entitlements acceptance and a Shortfall Application.

Payment by Credit Card

If paying by credit card, please deliver, mail, email or fax to Registries Limited your Entitlements and Acceptance Form (and any Shortfall Application Form you may wish to lodge) with your credit card details.

3.7 Share Market Trading

The latest available market sale price of the Company's shares on ASX on the day immediately before the announcement of the terms of the Entitlements Offer was 4.0 cents, on 8 November 2005.

The highest and lowest recorded sale prices of the Company's shares during the **twelve months** immediately preceding the announcement of this issue and the respective dates of those sales were:

Highest price:	7.5 cents	Date:	27 January 2005
Lowest price:	3.1 cents	Date:	29 June 2005

The highest and lowest recorded sale prices of the Company's shares during the **three months** immediately preceding the announcement of this issue and the respective dates of those sales were:

Highest price:	4.5 cents	Date:	3 October 2005
Lowest price:	3.6 cents	Date:	13 September 2005

3.8 Opening and Closing Dates

The Entitlements Offer will open for receipt of acceptances on **Monday 5 December 2005** and will close at 5.00 pm Sydney Time on **Monday 19 December 2005**, or such later date not exceeding 13 months from the date of this Prospectus as the Directors, in their absolute discretion and subject to compliance with the Listing Rules, may determine and provided that the Company gives ASX notice of the change at least 6 Business Days prior to the Closing Date.



3.9 Enquiries Regarding Entitlements, Acceptances and Applications

If you have any queries regarding your Entitlement, or acceptance of your Entitlement or Shortfall Application, please contact Registries Limited by telephone on **+612 9290 9600** or your stockbroker or professional adviser.

3.10 Issue and Allotment of New Shares and Options

The New Shares and Options under the Entitlements Offer and Shortfall Offer, and the Options under the Bonus Issue, are expected to be issued and allotted on Wednesday 28 December 2005.

Until the issue and allotment of the New Shares and Options under this Prospectus, the acceptance money will be held in trust in a separate bank account opened and maintained for that purpose only. Any interest earned on the acceptance money will be for the benefit of the Company and will be retained by it irrespective of whether allotment of the New Shares and Options takes place.

3.11 ASX Quotation

The Company has made application to ASX for the official quotation of the New Shares and Options offered by this Prospectus.

If approval is not granted by ASX for the official quotation of the New Shares and Options within three months after the date of this Prospectus, the Company will not allot or issue any New Shares or Options and will repay all application monies (where applicable) within the time prescribed under the *Corporations Act 2001*, without interest.

The fact that the ASX may grant official quotation of the New Shares and Options is not to be taken in any way as an indication of the merits of the Company or the New Shares or Options now offered for subscription.

3.12 Chess System

The Company participates in CHESS. ASX Settlement and Transfer Corporation Pty Limited ACN 008 504 532, a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and Securities Clearing House Business Rules.

Under CHESS, Shareholders will not receive certificates for their New Shares or Options but will receive a statement of their holdings indicating the allotment of their New Shares and Options following their acceptance of the offer made under this Prospectus.

Shareholders who are broker-sponsored will receive a CHESS statement from ASX Settlement and Transfer Corporation Pty Limited.

Shareholders registered under the Issuer Sponsored subregister will receive a statement from Security Transfer Registrars Pty Ltd.

A CHESS statement or Issuer Sponsored statement will routinely be sent to shareholders at the end of any month in which the balance of their shareholding changes. Shareholders may also request a statement at any other time, although a charge may be made for this additional service.



3.13 Overseas Investors

The Company has determined, in accordance with the requirements of the Listing Rules, that it would be unreasonable to extend the Entitlements Offer or Bonus Issue to Shareholders with registered addresses outside of Australia and New Zealand having regard to:

- the small number of shareholders with registered addresses outside Australia and New Zealand;
- the small number and value of the Shares held by shareholders with registered addresses outside Australia and New Zealand; and
- the cost of complying with legal requirements of regulatory authorities in those countries outside of Australia and New Zealand.

Shareholders resident outside Australia should consult their professional advisers as to whether any governmental or other consents are required, or other formalities need to be observed to enable them to accept their entitlements.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.

3.14 No issue of New Shares or Options after the Prospectus Expiry Date

No New Shares or Options will be issued on the basis of this Prospectus later than the Prospectus Expiry Date.

3.15 Taxation

Shareholders should be aware that there may be taxation implications in being issued with the New Shares or Options and on exercise of the Options. Shareholders should consult their professional tax adviser to obtain taxation advice relevant to their personal circumstances.

3.16 Ranking of New Shares

The New Shares will rank equally in all respects with the Company's existing issued and fully paid ordinary shares.

3.17 Dividend Policy

As the Company is an exploration company the Directors have not considered it necessary to formulate a dividend policy. A dividend policy will become appropriate in the event of the development of a cash flow that leads to trading profits.

3.18 Acknowledgment and Privacy Statement

By returning an Entitlements and Acceptance Form, each Shareholder acknowledges that they have received and read this Prospectus.

The information about Shareholders included on an Entitlements and Acceptance Form and Shortfall Application Form is used for the purposes of processing the form and to administer the Shareholder's holding of Shares and Options. By submitting an Entitlements and Acceptance Form, each Shareholder agrees that the Company may use the information provided by a Shareholder on the form for the purposes set out in this privacy statement and may disclose it for those purposes to the Share Registry and the Company's related bodies corporate, agents and contractors and third party service providers, including mailing houses and professional advisers, and to ASX and other regulatory authorities.



The *Corporations Act 2001* requires the Company to include information about each Shareholder (including name, address and details of the Shares held) in its public register. The information contained in the Company's public register must remain there even if that person ceases to be a Shareholder. Information contained in the Company's register is also used to facilitate payments and corporate communications (including the Company's financial results, annual reports and other information that the Company wishes to communicate to its security holders) and compliance by the Company with legal and regulatory requirements.

Eligible Shareholders have a right to gain access to information that the Company holds about that person, subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

If you do not provide the information required on the Entitlements and Acceptance Form and Shortfall Application Form, the Company may not be able to accept or process your form.

3.19 Brokerage

The Company will pay a brokerage fee of 2.0% to holders of an AFS licence in respect of New Shares and Options allotted under Entitlements and Acceptance Forms and Shortfall Application Forms bearing their stamps.

4. PURPOSE OF THE OFFERS

4.1 Purpose of the Entitlements Offer and Shortfall Offer

The Entitlements Offer and Shortfall Offer will raise funds primarily to advance the Company's Copper Hill gold-copper porphyry project (see table below for details), and also to meet the administration and running costs of the Company and the expenses of the Offers.

4.2 Purpose of the Bonus Issue

The Bonus Issue of Options provides a bonus to shareholders on record as at 22 December 2005 and provides the Company with the opportunity to raise further funds at 5 cents per share in the event that some or all of the Options are exercised by 30 September 2006.

4.3 Application of Funds

The following summary of the proposed application of the funds raised under this Prospectus during 2006 is approximate and is likely to vary depending on the level of Acceptances for the Entitlements Offer and the relative success of exploration work at the Company's Copper Hill property and other properties:

Project/Expense	Application of funds	Amount \$
Copper Hill	RC and diamond drilling program - resource definition drilling	1,450,000
	RC and diamond drilling program - exploration drilling	350,000
	Resource assessment and modelling	100,000
	Metallurgical test work	80,000
	Scoping and pre-feasibility studies	500,000
General working capital	Overhead expenditure and maintenance of Company's mineral properties	520,000
Capital Raising	Estimated Expenses of the Offers	50,000
Total		3,050,000

Any funds raised through the exercise of Options will be used to continue work on the Company's mineral properties and augment the Company's general working capital.



4.4 Shortfall

The Entitlements Offer is not underwritten. If the funds raised under the Entitlements Offer are less than \$3,000,000 after expenses, the Company will, under the Shortfall Offer, allot the Shortfall Shares and Options, firstly to Shareholders and secondly to investors, at the discretion of the Directors.

In the event that the funds raised are still less than \$3,000,000 after expenses, the Company has the ability and flexibility to amend its exploration programs and budgets for the foreseeable future to match funds available at the time.

In these circumstances the Company would probably, in order of priority:

- reduce exploration on properties other than Copper Hill and seek joint venture partners on appropriate properties;
- discontinue the exploration drilling program at Copper Hill; and
- scale back the resource drilling, metallurgical test work and economic studies at Copper Hill.

4.5 Capital Structure

The capital structure before and after the Offers is presented below based on the assumption that all entitlements to New Shares and Options are taken up.

Share capital	At date of Prospectus	After New Shares and Options are issued
Shares on issue	217,756,163	Approx. 304,860,163
Approximate number of Options to be issued under this Prospectus	-	87,104,000
Unquoted options on issue		
Director Options*	7,600,000	7,600,000
Employee Options**	3,790,000	3,790,000
31.1.06 Options***	1,250,000	1,250,000

Note: * Director Options exercisable at 15 cents by 30 November 2006.

** Employee Options exercisable at 10 cents by various dates on or before 20 July 2010, as set out in the table below.

*** Options exercisable at 12.5 cents by 1 January 2006.

Number	Class of Employee Options
285,000	22.12.2005 Employee Options ex 10c
315,000	27.6.2006 Employee Options ex 10c
325,000	21.12.2006 Employee Options ex 10c
325,000	28.6.2007 Employee Options ex 10c
355,000	20.12.2007 Employee Options ex 10c
370,000	25.6.2008 Employee Options ex 10c
500,000	11.11.2008 Employee Options ex 10c
670,000	17.8.2009 Employee Options ex 10c
<u>645,000</u>	20.7.2010 Employee Options ex 10c
<u>3,790,000</u>	TOTAL EMPLOYEE OPTIONS



5. INFORMATION AVAILABLE

5.1 Continuous Disclosure

The Company is a “disclosing entity” for the purposes of section 111AC of the *Corporations Act 2001*. As such, it is subject to regular reporting and disclosure obligations that require it to disclose to ASX any information that it is or becomes aware concerning the Company that a reasonable person would expect to have a material effect on the price or value of the securities of the Company.

Disclosing entities are, under the *Corporations Act 2001*, required to issue a prospectus satisfying the test set out in section 713 of the *Corporations Act 2001* where the securities offered by the prospectus are quoted securities and the securities are in a class of securities that were quoted securities at all times in the twelve months before the issue of the prospectus. ASIC Class Order 00/195 allows a company to offer securities that are convertible into continuously quoted securities by way of a short form prospectus under section 713 of the *Corporations Act 2001*. The Options offered under this Prospectus are convertible into ordinary fully paid GCR shares, which are continuously quoted securities.

The Company believes that it has complied with the general and specific requirements of ASX (as applicable from time to time throughout the twelve months prior to the issue of this Prospectus) which require the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX, and thereby keep the market fully informed.

The shares offered by this Prospectus are considered to be in a class of securities that have been enhanced disclosure securities at all times during the twelve months prior to the issue of this Prospectus.

Copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an office of ASIC.

Information that is already in the public domain has not been reported in this Prospectus other than that information which is considered necessary to make this Prospectus complete.

5.2 Annual Report

The Golden Cross Resources 2005 Annual Report was lodged with ASX on 6 October 2005. The Annual Report contains a review of the operations of Golden Cross Resources, the Directors’ report, remuneration report, corporate governance statement, financial report and an independent audit report by Ernst & Young for the financial year ended 30 June 2005.

A copy of the Annual Report is available free of charge by calling the Company on +612 9482 8833 or emailing info@goldencross.com.au. Alternatively, the Annual Report is available on the Company’s website at www.goldencross.com.au.

5.3 Recent Announcements

For details of documents lodged with ASX since the date of lodgement of the Company’s Annual Report, refer to the table below. The Company will provide free of charge to any person who requests it prior to the Closing Date a copy of any continuous disclosure notices given during the period starting after the lodgement with the ASIC of the Annual Report and ending before the issue of this Prospectus.



Table of Recent Announcements released to ASX

Date Released	Notice
14.10.05	First Quarter Activities Report
18.10.05	Excellence in Exploration & Mining Presentation
20.10.05	Excellence in Exploration & Mining Presentation (clearer copy)
25.10.05	First Quarter Cashflow Report
01.11.05	Copper Hill Drill Results – Higher Grade Holes in Eastern Zone
08.11.05	Copper Hill Drill Results
09.11.05	Presentation to AGM
09.11.05	Chairman's Address to Shareholders
09.11.05	Entitlements Issue & Bonus Issue
09.11.05	Results of AGM
10.11.05	Appendix 3B – Director SAS Shares
10.11.05	Appendix 3B – Entitlements Issue
10.11.05	Appendix 3B – Bonus Issue of Options
11.11.05	Appendix 3Y – Change of Director's Interest Notice
15.11.05	Presentation to AGM (clearer copy)
15.11.05	Change in substantial holding
15.11.05	Appendix 3Y – Change of Director's Interest Notice

5.4 Website – Electronic Prospectus

This Prospectus will not be issued as an electronic Prospectus however a copy of the Prospectus excluding the Entitlements and Acceptance Form and Shortfall Application Form may be accessed and downloaded for general information purposes only from the Company's website on the internet at www.goldencross.com.au.

5.5 Enquiries Regarding Prospectus

If a Shareholder has any questions regarding this Prospectus, please contact Daven Timms, Company Secretary on +612 9482 8833 or by email to daven.timms@goldencross.com.au.



6. OPERATIONS REVIEW

6.1 Highlights

- The focus of GCR's exploration effort will be to advance the Copper Hill project to a pre-feasibility study.
- GCR believes that Copper Hill is the third largest copper-gold porphyry complex in NSW after Cadia Valley and Northparkes.
- Copper Hill has potential to be an open cut mine that will add significant value to shareholder wealth.

6.2 Introduction

Over the past two years GCR has consolidated much of its extensive land position in NSW and focussed time and resources on a small number of high quality properties. These include Copper Hill, Canbelego and Broken Hill in NSW. By necessity this has seen a number of other properties, which have not met expectations, being offered for farm-out or sale, or simply relinquished. Notably these include the Adelong Gold property, for which an information memorandum is presently being prepared for the sale of the property.

GCR also recognises the requirement for a healthy pipeline of new properties to augment its property portfolio into the future. As a consequence a number of new properties have been acquired. The most significant of these is the option over a number of tenements in the McArthur River region of the Northern Territory, which gives GCR exposure to prospective diamond and manganese exploration ground. In addition GCR has made application for an exploration licence over ground prospective for molybdenum in southern NSW.

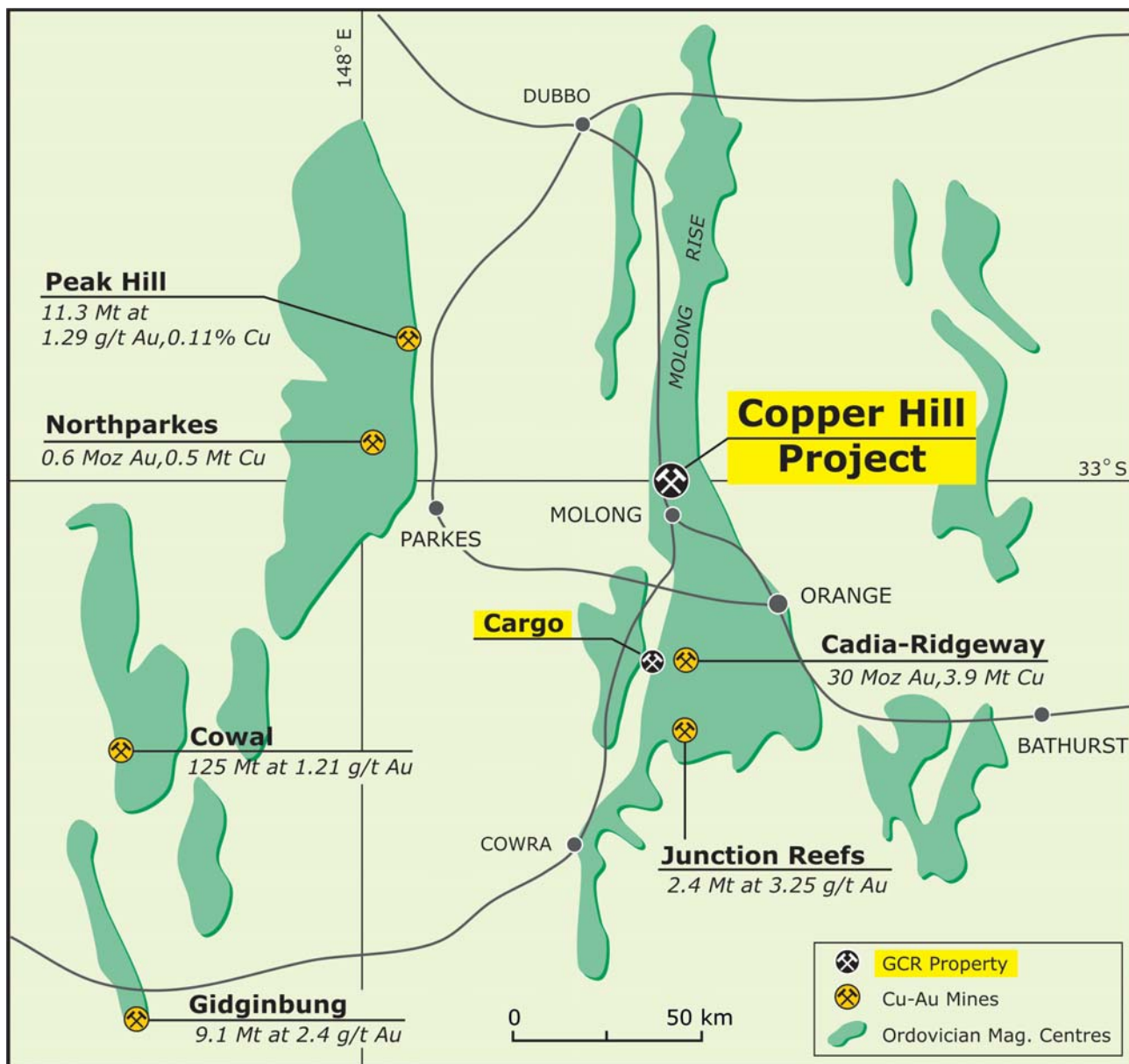
The focus of the Company's efforts and funds during 2006 will be the Copper Hill gold-copper project, believed to be the third largest copper-gold porphyry complex in NSW after the Cadia Valley and Northparkes complexes. The potential for the delineation of a comparable mineral deposit at Copper Hill is considered by GCR to be high, given the geological similarities of the three projects.

This review outlines the nature of GCR's three main properties and the work required to advance them. There is an emphasis on Copper Hill, as GCR considers that Copper Hill has the potential to become a mine that will add significant value to shareholder wealth.

6.3 Copper Hill

Copper Hill is located adjacent to the Mitchell Highway about 4 km north of the town of Molong in NSW. This is just over 30 km from the regional centre of Orange and 45 km from the large Cadia Valley gold-copper mine owned and operated by Newcrest Mining Limited (Figure 1). Both Cadia and Copper Hill are located within the Molong Volcanic Belt, a magmatic complex of intrusive and volcanic rocks of Ordovician age. Importantly, GCR controls 100% of Copper Hill under an exploration licence of approximately 93 sq km.

Copper Hill, like the Cadia Valley mines to the south, has been mined in the 1800s, explored for copper in the 1970s and explored again for copper and gold from the mid 1980s into the new millennium. Unlike Cadia, drilling during the 1990s failed to rapidly delineate resources or lead to the discovery of high grade zones such as Ridgeway, even though the geological setting is similar. Although various companies drilled deep holes beneath the Copper Hill prospect, few stepped out into ground away from zones of known mineralisation. GCR's approach to the project has been to review both the area around the main mineralised zone at the Copper Hill prospect and the regional exploration work.



Copper Hill : Regional Cu-Au Occurrences
Figure 1

6.4 Copper Hill Prospect

GCR’s review, conducted early in 2005, culminated in two drilling programs totalling approximately 4,000m, in August and October/November 2005. These focussed exploration in and around the Copper Hill prospect and on the Shades Road prospect about 1.5 km due north of Copper Hill. The table below outlines significant drill hole intersections from the Copper Hill prospect in 2005.

This work showed that, within a 2 km strike length, despite over 27,000m of historic drilling, new zones of undiscovered mineralisation occur. The best example of this is the discovery of the Saddle mineralisation in holes GCHR058 and 063 (see table below), not previously included in any resource inventory (Figure 2). The success of these programs has been a direct result of GCR’s growing understanding of the geological controls on mineralisation and its systematic approach to drilling.

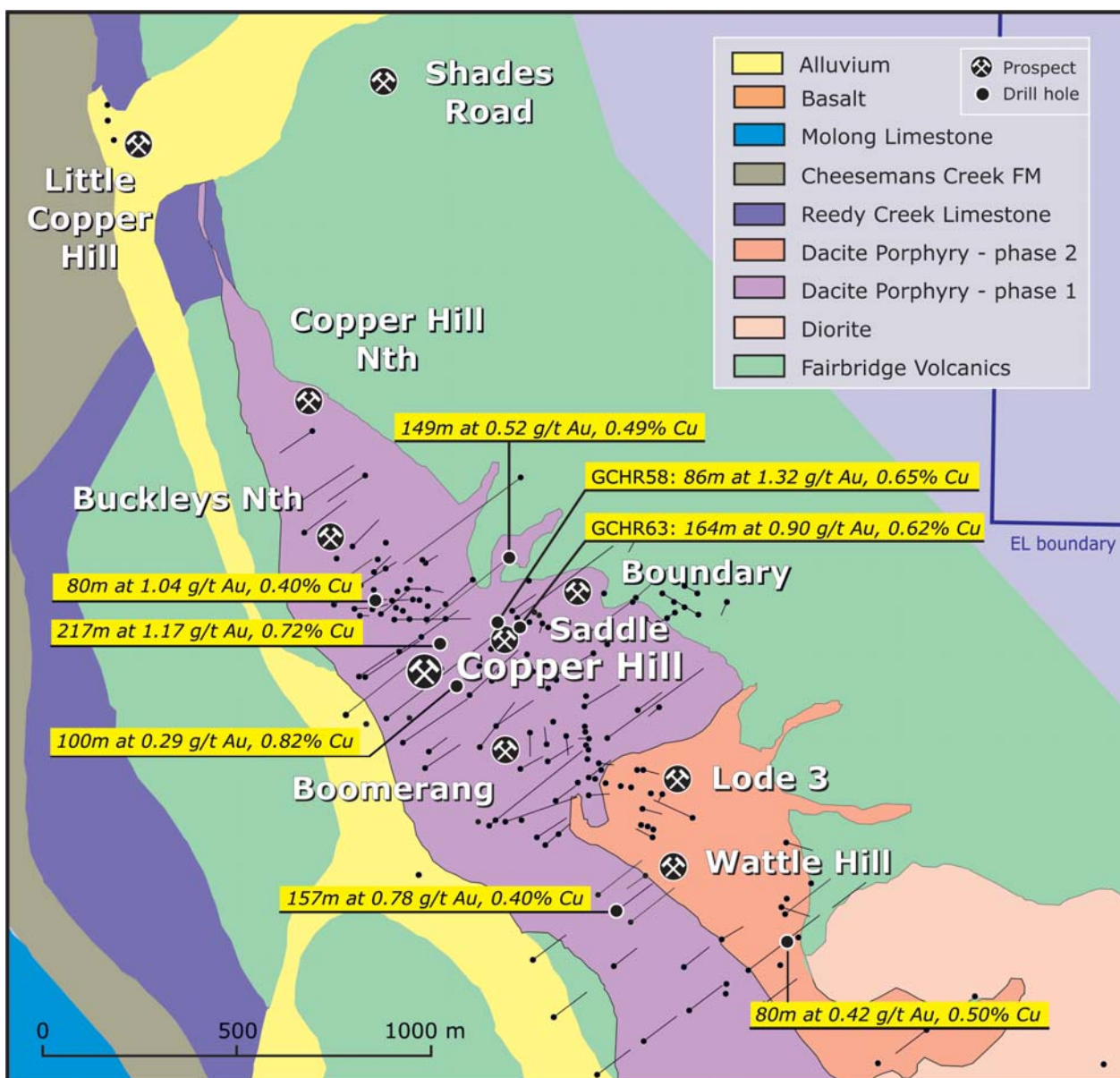


Copper Hill, Significant Drill Results, 2005

Hole No	Easting (MGA)	Northing (MGA)	From (m)	Intersection (m)	Gold (g/t)	Copper (%)	Gold(Eq) (g/t)**
GCHR038	675364	6340579	28	14	0.24	0.58	1.57
GCHR041	674436	6341209	72	100	0.29	0.82	2.73
<i>Incl.</i>			78	34	0.20	1.00	2.50
And			126	16	0.56	1.64	4.33
GCHR044	674493	6341212	56	28	0.17	0.71	1.80
GCHR046	674414	6341287	52	128	0.19	0.32	0.89
<i>Incl.</i>			52	50	0.18	0.47	1.26
			118	28	0.30	0.33	1.13
			162	48	0.20	0.35	1.00
GCHR047	674506	6341221	0	250 (EOH)	0.20	0.40	1.12
<i>Incl</i>			76	174 (EOH)	0.22	0.55	1.49
<i>Incl</i>			86	86	0.27	0.86	2.25
<i>Incl</i>			86	14	0.26	1.62	3.99
GCHR-50	674588	6341396	36	58	0.59	0.38	1.46
<i>Incl</i>			76	18	1.68	0.88	3.70
GCHR-52*	674323	6341340	38	56	0.10	0.36	0.93
GCHR054	674818	6341071	50	24	0.66	0.42	1.63
GCHR055	674237	6341461	22	8	1.31	0.39	2.21
			46	76	0.43	0.32	1.17
<i>Incl</i>			64	12	0.74	0.52	1.94
And			94	28	0.36	0.36	1.19
GCHR056*	674622	6341228	56	144	0.22	0.39	1.12
<i>Incl</i>			56	30	0.29	1.05	2.71
GCHR057	674515	6341175	0	56	0.30	0.03	0.37
			74	75	0.18	0.31	0.89
<i>Incl</i>			74	16	0.29	0.68	1.85
GCHR058	674700	6341303	64	86 (EOH)	1.32	0.65	2.82
<i>Incl</i>			82	64	1.69	0.79	3.51
<i>Incl</i>			112	26	2.53	1.03	4.90
GCHR059	674414	6341289	36	76	0.24	0.45	1.28
			154	12	0.32	0.45	1.36
GCHR061	674693	6341106	14	10	0.11	0.47	1.19
GCHR062	674697	6341202	8	48	0.33	0.69	1.92
<i>Incl</i>			24	18	0.39	1.26	3.30
GCHR063	674702	6341202	0	164	0.90	0.62	2.33
<i>Incl</i>			16	16	0.45	0.90	2.52
And			40	124	1.11	0.68	2.67
<i>Incl</i>			40	56	1.52	0.87	3.52
GCHR068	674944	6341351	2	124(EOH)	0.14	0.23	0.67
<i>Incl</i>			20	22	0.15	0.49	1.28

Notes: * Results RC portion only, assays for diamond tails are pending.

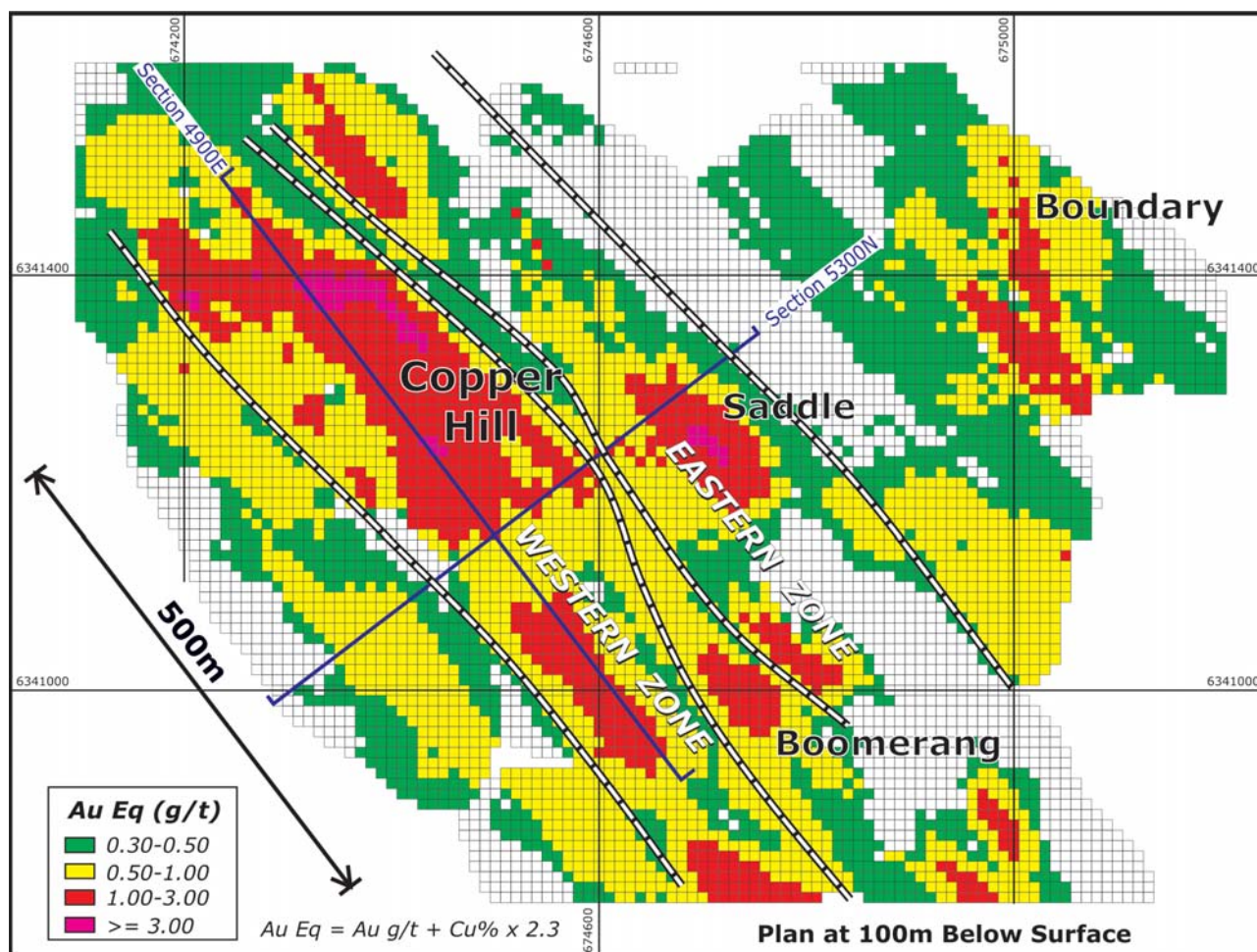
** Gold (Eq) = Gold (g/t) + (Copper (%) x 2.3)



Copper Hill : Geology
Figure 2

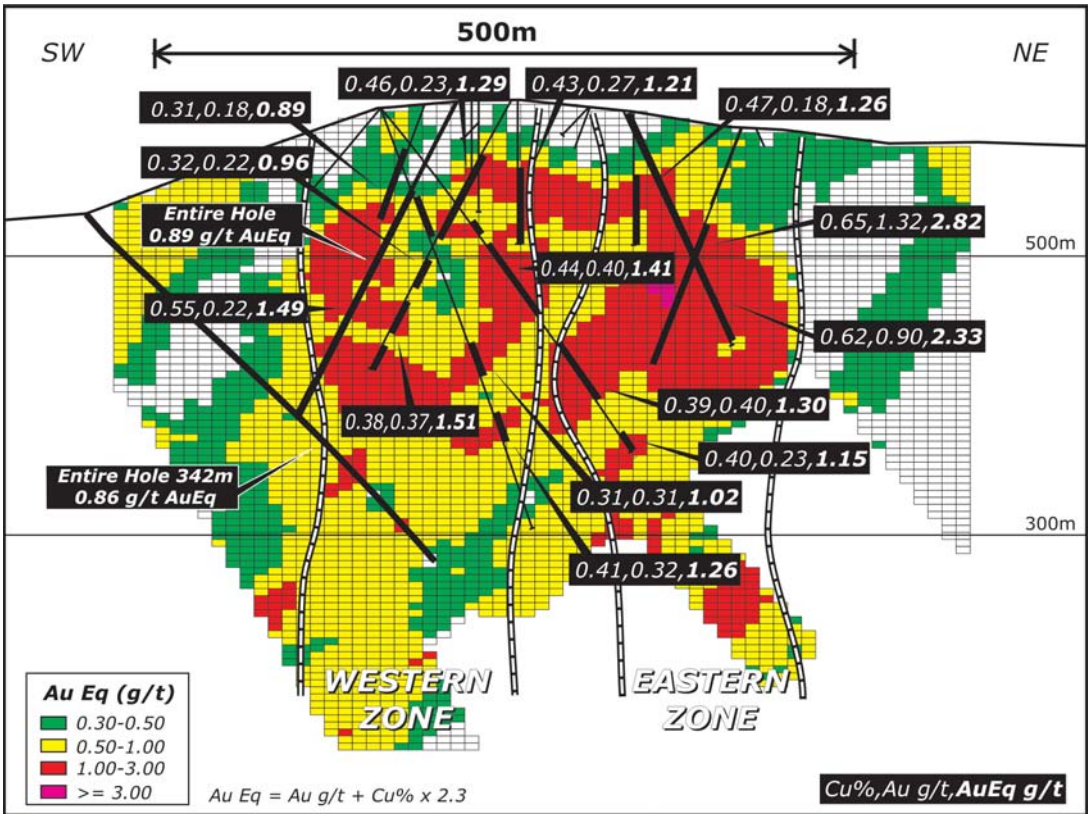
The Copper Hill prospect hosts copper and gold mineralisation over a strike length of almost 1,000 metres in one relatively well defined (Western) and three poorly defined zones (Eastern, Boundary and Boomerang). The Western Zone trends to the northwest and dips steeply to the southwest. It is well defined by drilling for 650m in strike, is about 100m wide and extends to depths of 300m below surface (Figures 3 & 4). Grade modelling of the Western Zone in long-section (Figure 5) suggests a significant southward plunge which might extend to depths in excess of 500m downplunge, giving the project considerable depth potential.

Prior to GCR's work, the Eastern Zone had been defined by only five deep diamond holes over a strike length of 400m. It was 100m wide and, similar to the Western Zone, extended to depths in excess of 300m. A number of GCR holes have located this zone closer to surface, and importantly, discovered a higher grade portion to the zone in the Saddle area. The zone now extends over at least 500m in strike and grade modelling, in the Saddle area, suggests that it merges with the Western Zone in an area of east-west faulting (Figure 3).

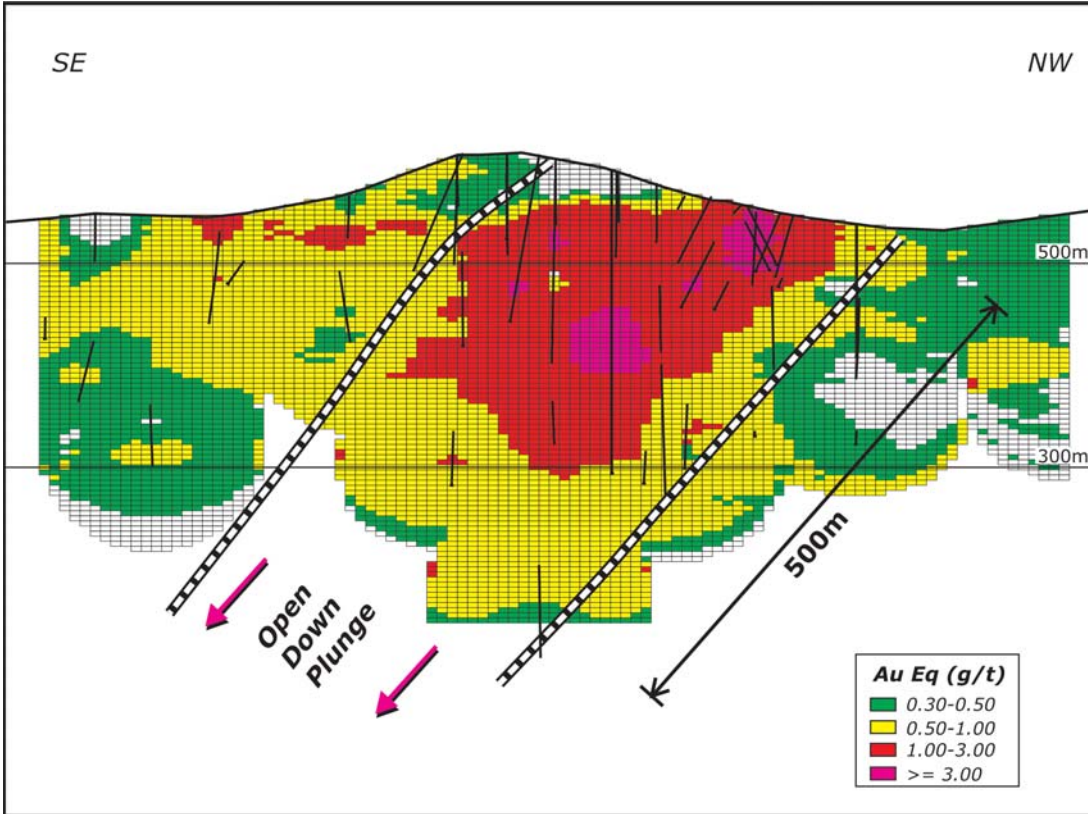


Copper Hill : Grade Model - Au Eq
Figure 3

The relationship of the Western and Eastern Zones to Boomerang is unknown due to the paucity of drilling between them. The Boomerang Zone has historically returned some of the highest gold grades in the project area (individual assays greater than 5 g/t gold) from shallow drilling, but controls on mineralisation remain poorly understood. One hole for example CHP-9, returned 21m at 2.65 g/t gold and 0.72% copper. Similarly little is known about the extent and nature of mineralisation outlined in historic holes at Boundary, located further to the northeast. Holes here also returned encouraging results, an example being CHP-7 which returned 50m at 0.9 g/t gold and 0.56% copper from surface.



Copper Hill : Grade Model - Cross Section 5300N
 Figure 4



Copper Hill : Grade Model - Long Section 4900E
 Figure 5



6.5 Resource Estimation Work at Copper Hill

At the time of writing, drilling was still underway, having been delayed for two weeks due to heavy rains. In various presentations GCR has foreshadowed a resource estimate due out in the first quarter of 2006. Importantly the Company anticipates a significant portion of this will be classified as indicated, especially in areas of closer spaced drilling where geology is better understood. Consulting Geologists Hellman & Schofield Pty Ltd have been engaged to provide guidance in this estimation. This work, in conjunction with preliminary metallurgical testwork, will form the basis for initial economic scoping studies and a major campaign of drilling to advance the project to a pre-feasibility study.

At the Copper Hill prospect alone, based on the porphyry model of mineralisation, the extent of known mineralisation (greater than 2 km in strike and 0.5 km wide) and comparisons with deposits in the district, notably Cadia Hill, GCR suggests a target size of 100 to 200 million tonnes at grades between 0.3 % and 1.0% copper and 0.3 g/t and 1.0 g/t gold, or perhaps 1 g/t to 2.5 g/t gold equivalent. Within that overall resource GCR envisages a number of higher grade, near-surface zones such as the Saddle, comprising gold-rich chalcopyrite and bornite ores (possibly 10 to 40 million tonnes of 1 g/t gold and 1% copper) which could provide initial feed for project start-up.

Significant further work, specifically infill and step-out drilling, is required to determine the extent and distribution of mineralisation. GCR is planning a program of combined RC and diamond drilling, designed primarily to assess mineralisation to a depth of 200m (effectively the readily open-pittable range) and to provide samples for more detailed metallurgical work.

Some deeper diamond drilling has been designed to test the extent of mineralisation down-plunge in the Western Zone.

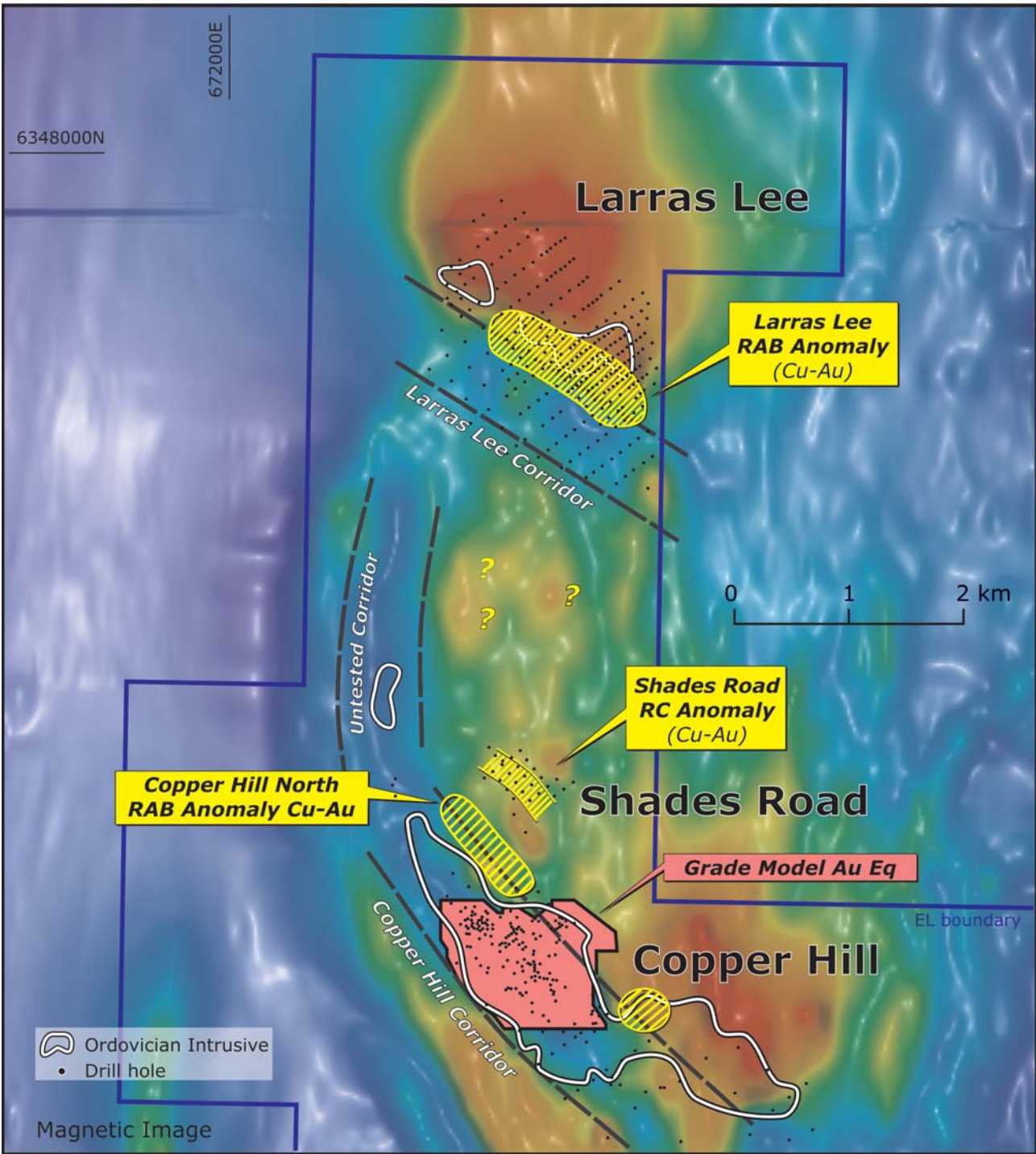
6.6 Regional Exploration at Copper Hill

To the north of the Copper Hill prospect GCR has identified three areas of geochemical anomalism, each associated with magnetic anomalies that have surface dimensions comparable in size to Copper Hill (Figure 6). These all have the same orientation (northwest-trending) as the Copper Hill mineralisation, but are predominantly hosted in volcanic rocks. In at least two of these, Larras Lee and Shades Road, porphyritic intrusions of the same type as those at Copper Hill have been recognised in drilling.

Each of the three areas, Larras Lee, Shades Road and Copper Hill North, are characterised by RAB and/or RC drill anomalism comprising predominantly copper and gold, but locally also lead, zinc or molybdenum. Each straddles an area of comparatively low magnetic susceptibility adjacent to a magnetic high and contains locally abundant quartz-carbonate or quartz-epidote veins. At Larras Lee four historic RC holes were drilled, with two returning broad widths of highly anomalous gold. For example LLR004 returned 30m at 0.2 g/t gold. No deep drilling (deeper than 20m) has been undertaken at Shades Road or Copper Hill North.

Each of these prospects has potential to augment resources outlined at Copper Hill.

GCR is planning to undertake a first pass RC drilling program to test these anomalies to depths of 100m to 150m.



Copper Hill : Regional Prospects
Figure 6



6.7 Canbelego

Over the past 18 months GCR has undertaken a significant program of exploration, including extensive surface geochemical sampling, geophysical surveys, geological mapping and almost 6,000m of drilling in 100 drill holes at nine prospects. Drilling was mostly of a shallow reconnaissance nature, in the order of 20m to 50m downhole, however two prospects, Mt Boppy and Burra, were drilled to depths of greater than 300m. The results from this work have outlined three mineralised zones, Hardwicks, Burra and Birthday, and have identified new targets at Native Dog Hill and New Haven.

At Hardwicks and Birthday, GCR outlined gold-bearing fault zones close to the contact between Devonian sediments and older Ordovician metasedimentary rocks. Both prospects returned some spectacular grades in the near-surface supergene zone. For example, at Hardwicks, hole GCB88 returned 38m at 3.36 g/t gold from surface, including 18m at 6.78 g/t gold from 10m, and at Birthday, hole GCB-30 returned 5m at 39.8 g/t gold from 2m. These occur in structural corridors where drilling returns anomalous gold (0.1 g/t to 1.0 g/t range), and sporadically high grade gold results. At surface these corridors are characterised by strong lead-arsenic-gold anomalies in soils, and rock chip samples in the range of 0.1 g/t to 5 g/t gold.

At Burra, drilling by GCR returned an intersection of 12m at 2.8% copper including 2m at 13.7% copper. This intersection occurs 30m beneath an old hole drilled in the 1960s that returned 9.9m at 1.9% copper. GCR has drilled a number of holes to the north and south and has succeeded in intersecting copper and iron sulphides associated with magnetite, albeit at lower grades.

At the gold prospects close to the Mt Boppy Gold mine GCR intends to continue exploration using induced polarisation geophysics (designed to detect sulphide mineralisation associated with the gold) and drilling.

GCR considers the discovery of another Mt Boppy-style deposit (500,000 oz of high grade gold) to be a realistic target and that prospects outlined to date exhibit geological similarities to Mt Boppy.

Work at Canbelego is scheduled to recommence in the second quarter of 2006.

6.8 McArthur River

Early in 2005 GCR entered an option agreement with Finching Pty Ltd over two granted Exploration Licences and four Exploration Licence applications located in the McArthur River area in the Northern Territory. The tenements cover an area of 4,900 square kilometres in the northern part of the Batten Fault Zone, a major zone of crustal deformation trending north-northwest and bisecting the McArthur River Basin of Proterozoic age. The tenements are prospective for diamonds, manganese, lead-zinc (McArthur River style) and uranium.

In five of the tenements, there are positive indications of diamonds in gravel and loam samples collected in company surveys during the 1980s and early 1990s. Indicator minerals, chromite and chrome-diopside have been identified, as have numerous microdiamonds and, in one locality, a macrodiamond. Compared to the southern part of the Batten Fault Zone the tenements have been sparsely sampled, with little attention paid to modern geophysical methods or photo-geological interpretation in the search for kimberlite pipes.

In addition to diamonds, two of the tenements host manganese prospects. One of these, at Rosie Creek, has been drilled over an area of 900m by 1200m and is reported to contain drill intersections with up to 25% manganese in a discontinuous layer 1m to 3m thick at between 10m and 40m depth. No resource has been reported.

GCR considers McArthur River to be an exciting new property hosted in a district that boasts significant diamond and base metal resources. The company considers this project provides shareholders with relatively low cost exposure to a potentially significant diamond province. Desktop studies are currently underway with the view to a concerted field season beginning in May/June 2006.



6.9 Other Properties

See the Company's previous Annual Reports for details. Annual Reports are available at www.goldencross.com.au or by calling the Company on +612 9482 8833.

6.10 Competent Person

The information in this operations overview that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Chris Torrey who is a Member of the Australian Institute of Geoscientists and a Registered Professional Geologist. Mr Torrey is a director and full-time employee of Golden Cross Resources Ltd. Mr Torrey has sufficient experience which is relevant to the styles and types of deposits under consideration and the activity which 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". Mr Torrey consents to the inclusion in the report of the matters based on his information in the form and context in which they appear.

7. FINANCIAL EFFECT OF THE OFFERS

The effect of the Offers on the audited Statement of Financial Position of the Company as at 30 June 2005, adjusted for the impacts of adopting AIFRS, is shown in the proforma post-issue Statement of Financial Position set out below based on the assumptions that:

- the Offers were effective as at 30 June 2005;
- existing holders of options will not exercise their options before the Entitlements Record Date;
- all entitlements to New Shares and Options under the Offers are taken up; and
- exactly \$3,000,000 is raised (after deduction of the expenses of the Offers, estimated to be \$50,000).



CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AUDITED AS AT 30 JUNE 2005
AND UNAUDITED PROFORMA POST OFFERS

	30 June 2005	Proforma Post Offers
	\$	\$
CURRENT ASSETS		
Cash assets	1,789	4,789
Inventories	-	-
Other	40	40
	<hr/>	<hr/>
TOTAL CURRENT ASSETS	1,829	4,829
	<hr/>	<hr/>
NON CURRENT ASSETS		
Receivables	12,943	12,943
Investments	-	-
Exploration Properties, Plant and Equipment	115	115
Intangibles	-	-
	<hr/>	<hr/>
TOTAL OF NON CURRENT ASSETS	13,058	13,058
	<hr/>	<hr/>
TOTAL ASSETS	14,887	17,887
	<hr/>	<hr/>
CURRENT LIABILITIES		
Payables	50	50
Provisions	-	-
	<hr/>	<hr/>
TOTAL OF CURRENT LIABILITIES	50	50
	<hr/>	<hr/>
NON CURRENT LIABILITIES		
Provisions	-	-
	<hr/>	<hr/>
TOTAL NON CURRENT LIABILITIES	-	-
	<hr/>	<hr/>
TOTAL LIABILITIES	50	50
	<hr/>	<hr/>
NET ASSETS	<u>14,837</u>	<u>17,837</u>
	<hr/>	<hr/>
EQUITY		
Contributed equity	25,434	28,434
Reserves	599	599
Accumulated Losses	(11,196)	(11,196)
	<hr/>	<hr/>
TOTAL EQUITY	<u>14,837</u>	<u>17,837</u>
	<hr/>	<hr/>



8. RISK FACTORS

The New Shares and Options offered under this Prospectus are speculative.

The ownership of the Company's shares involves certain risks and shareholders in doubt should consult their sharebroker or financial adviser for advice. Factors that in the opinion of the Directors should be taken into account are set out below:

8.1 Factors expected to affect the price of the Shares

The factors that may affect the price of the Company's Shares on ASX include:

- Results received from the Company's exploration activities;
- The market price for metals the Company explores for, particularly gold and copper;
- Commercial factors such as the loss of joint venture partners, increased costs, environmental issues, native title, aboriginal heritage, loss of key staff, security of mineral titles, disputes and litigation;
- The financial performance of the Company;
- General economic factors such as interest rates, exchange rates and government regulation; and
- Any future issue of securities by the Company.

8.2 Factors expected to affect the price of the Options

The two factors expected to most affect the market price of the Options on the ASX are:

- The price of the Company's Shares on ASX; and
- The time to expiry of the Options.

As the market price of the Options is affected by the price of the Shares, the same factors that affect the price of the Shares will affect the price of the Options.

9. ADDITIONAL INFORMATION

9.1 Interests of Directors

Except as disclosed in this Prospectus, no Director (whether individually or in consequence of a Director's association with any company or firm or in any material contract entered into by the Company) has now, or has had, in the two year period ending on the date of this Prospectus, any interest in:

- the formation or promotion of the Company; or
- property acquired or proposed to be acquired by the Company in connection with its formation or its promotion or the Offers; or
- the Offers.

Except as disclosed in this Prospectus, no amounts of any kind (whether in cash or Shares or otherwise) have been paid or agreed to be paid to any Director or to any company or firm with which a Director is associated to induce him to become, or to qualify as, a Director, or otherwise for services rendered by him or any company or firm with which the Director is associated in connection with the formation or promotion of the Company or the Offers.



Directors' Share and Option Holdings

Directors' interests in the share capital of the Company as at the date of this Prospectus are shown below:

Name	Ordinary Shares	Options
Christopher Ryan	662,500	1.0M Director Options exercisable at 15c by 30.11.2006
David Timms	20,423,920	1.5M Director Options exercisable at 15c by 30.11.2006
Kerry McHugh	780,206	1.0M Director Options exercisable at 15c by 30.11.2006
Chris Torrey	555,482	1.41M Employee Options exercisable at 10c by 11.11.08
Daven Timms	414,194	1.0M Director Options exercisable at 15c by 30.11.2006

The Directors will receive the same entitlement to the New Shares and Options as all other Shareholders under the offers in respect of Shares in which they hold an interest. Directors and their associates are not eligible to apply for Shortfall Shares.

Directors' Remuneration and Related Party Transactions

Details relating to the remuneration of Directors and related party transactions are set out in full in the Directors' Report and Note 16 of the Notes to the Financial Statements in the 2005 Annual Report, which is available at www.goldencross.com.au or by calling the Company on +612 9482 8833.

9.2 Interests of Named Persons

Except as disclosed in this Prospectus, no expert, or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, nor any firm in which any of those persons is or was a partner nor any company in which any of those persons is or was associated with, has now, or has had, in the two year period ending on the date of this Prospectus, any interest in:

- the formation or promotion of the Company; or
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offers; or
- the Offers.

Except as disclosed in this Prospectus, no amounts of any kind (whether in cash or shares or otherwise) have been paid or agreed to be paid to any expert, or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, or to any firm in which any of those persons is or was a partner or to any company in which any of those persons is or was associated with, for services rendered by that person in connection with the formation or promotion of the Company or offer of the securities.

Ernst & Young are the auditors of the Company, appointed on 10 November 2004. The Company has expended \$20,900 for auditing services provided by Ernst & Young to the Company since their appointment.



9.3 Consents

Ernst & Young have consented to being named in this Prospectus as auditors of Golden Cross Resources Ltd for information purposes only and have not withdrawn their consent. Ernst & Young have had no involvement in the preparation of this Prospectus other than in relation to this paragraph and the appearance of their name in the Corporate Directory, have not authorised or caused the issue of the whole or any part of this Prospectus and expressly disclaim and take no responsibility for any statements in or omissions from this Prospectus.

Registries Limited has consented to being named in this Prospectus as the share registry of Golden Cross Resources Ltd for information purposes only and has not withdrawn its consent. Registries Limited has had no involvement in the preparation of this Prospectus other than in relation to this paragraph and the appearance of its name in the Corporate Directory, has not authorised or caused the issue of the whole or any part of this Prospectus and expressly disclaims and take no responsibility for any statements in or omissions from this Prospectus.

9.4 Substantial Shareholders

As at the date of this Prospectus the following substantial shareholdings have been notified to the Company:

<i>Shareholder Name</i>	<i>Shares Held</i>	<i>% of Issued Capital</i>	<i>Date</i>
David Timms	20,423,920	9.4%	15 November 2005

9.5 Rights Attaching To Shares

New Shares issued under this Prospectus will rank equally in all respects with existing Shares. Full details of the rights attaching to Shares are set out in the Constitution, a copy of which can be inspected at the Company's registered office during normal business hours.

A summary of the rights follows.

(a) Voting rights

At a general meeting every shareholder present in person by proxy, attorney or representative has one vote on a show of hands and every shareholder present in person or by proxy, attorney or representative has one vote for each Share on a poll.

(b) Dividends

Dividends are declared by the Directors at their discretion and subject to any special rights (at present there are none) are payable on all Shares in proportion to the amount of capital for the time being paid up or credited as paid up on those Shares.

(c) Transfer of Shares

Generally, Shares are freely transferable. Where the Listing Rules or the law require GCR to do so, the Directors must decline to register a transfer.

(d) Future increases in capital

The allotment or issue of any shares of GCR is under the control of the Directors who may, subject to the Act and the Listing Rules, allot or otherwise dispose of them on such conditions as they see fit.

(e) Variation of rights

The rights and privileges attaching to Shares can be altered by special resolution of the shareholders. A special resolution is a resolution passed by a majority of not less than 75% of those present and voting.



(f) Rights on winding up

In the event of a winding up of GCR:

- (i) any surplus will be divided among the shareholders in the proportion that the amount paid up on the shares bears to the total amount paid up on all shares of GCR on issue;
- (ii) surplus assets in kind may, with the sanction of a special resolution, be divided among shareholders in such proportion as the liquidator may determine.

9.6 Rights Attaching To Options

The Options will be issued on the following terms:

- (a) The Options shall expire on 30 September 2006.
- (b) Each Option shall entitle the holder to subscribe for one Share in the capital of GCR on the terms set out below.
- (c) Options may be exercised any time prior to the Options Expiry Date.
- (d) Each Option shall be exercisable at 5 cents per Option.
- (e) Options may only be exercised by the registered holder for the time being by completing the Notice of Exercise of Options accompanying the optionholder statement and forwarding it, together with payment of the exercise price, to be received by Registries Limited at any time prior to the Options Expiry Date. Cheques must be made payable to Golden Cross Resources Ltd and marked "not negotiable".
- (f) The date of exercise of an Option will be the date on which the Notice of Exercise of the Option is received by the Share Registry.
- (g) GCR has made application to have Options listed for official quotation by the ASX.
- (h) Options may be transferred at any time prior to the Options Expiry Date, independently of the Shares to which they are attached.
- (i) GCR must make applications to have shares issued on the exercise of Options listed for official quotation by ASX, no later than 3 business days after the issue of the shares.
- (j) In the event of any reorganisation of the issued capital of GCR, Options will be reorganised as required by ASX Listing Rules applying to a reorganisation of capital at the time of reorganisation.
- (k) Options will not entitle the holders to participate in any new pro-rata issues, which may be offered to shareholders during their currency. Prior to any pro-rata issue, optionholders will be notified by GCR and will be afforded at least 14 Business Days before the record date determining Entitlements to the issue to exercise those Options.
- (l) GCR will advise optionholders at least 20 Business Days before the Options Expiry Date of the impending expiry of the Options and will provide such details as required by the ASX Listing Rules to enable optionholders to determine whether or not to exercise those Options.

9.7 Litigation

The Company is not involved in any legal or arbitration proceedings that may have a significant effect on the Company's financial position nor are any such proceedings pending or threatened against the Company or any of its subsidiaries.

9.8 Corporate Governance

The Company has adopted comprehensive corporate governance policies, available in the Corporate Governance section of its website at www.goldencross.com.au.



10. GLOSSARY OF TERMS

ASIC means the Australian Securities and Investments Commission;

ASX means Australian Stock Exchange Limited or the Australian Stock Exchange, as the context requires;

Board means the board of Directors;

Bonus Issue means the bonus issue of Options under this Prospectus, summarised in section 3.3;

Bonus Issue Record Date means 22 December 2005;

Business Day means a day that is not a Saturday, a Sunday or a public holiday or bank holiday in New South Wales;

CHES means the Clearing House Electronic Subregister System;

Closing Date means the closing date for the Entitlements Offer and Shortfall Offer, being 19 December 2005;

Company or GCR means Golden Cross Resources Ltd ABN 65 063 075 178, of 22 Edgeworth David Avenue, Hornsby, New South Wales, 2077, Australia;

Constitution means the constitution of the Company;

Directors mean directors of the Company;

Entitlement means the number of New Shares and Options shareholders are entitled to accept under this Prospectus, as noted on the Entitlements and Acceptance Form;

Entitlements and Acceptance Form means the personalised application form for an entitlement of New Shares and Options accompanying this Prospectus;

Entitlements Offer means the offer of New Shares and Options under this Prospectus, summarised in section 3.1;

Entitlements Offer Record Date means 29 November 2005;

Listing Rules means the official listing rules of ASX;

New Shares means new ordinary fully paid shares in the capital of the Company offered under this Prospectus, the rights under which are summarised in section 9.5;

Offers means the Entitlements Offer, the Shortfall Offer and the Bonus Issue;

Options mean the options exercisable at 5 cents each by 30 September 2006 offered under this Prospectus, the rights under which are summarised in section 9.6;

Options Expiry Date means the date of expiry of the Options, being 30 September 2006;

Prospectus means this prospectus relating to the Offers;

Prospectus Expiry Date means the date of expiry of this Prospectus on 18 December 2006, being 13 months from the date of this Prospectus;

Shareholder means a holder of Shares;

Shares means ordinary fully paid shares in the capital of the Company;

Share Registry means Registries Limited, Level 2, 28 Margaret Street, Sydney, NSW, 2000, Australia (PO Box R67, Royal Exchange, Sydney, NSW, 1223);

Shortfall Application means an application for Shortfall Shares and Options by means of a Shortfall Application Form;

Shortfall Application Form means the application form for Shortfall Shares and Options accompanying this Prospectus;

Shortfall Offer means the offer of Shortfall Shares and Options under this Prospectus, summarised in section 3.2;

Shortfall Shares and Options means the number of New Shares and Options comprising the difference between the New Shares and Options the subject of the Entitlements Offer, and the number of New Shares and Options for which valid Entitlements and Acceptance Forms have been received and accepted by the Company;

Sydney Time means the time in Sydney, Australia, on the specified date.



11. DIRECTORS' RESPONSIBILITY STATEMENT AND CONSENTS

The Directors state that they have made all reasonable enquiries and on that basis have reasonable grounds to believe that any statements made by the Directors in this Prospectus are not misleading or deceptive and that, in respect of any other statements made in the Prospectus by persons other than Directors, the Directors have made reasonable enquiries and on that basis have reasonable grounds to believe that persons making the statement or statements were competent to make such statements, those persons have given their consent to the statements being included in this Prospectus in the form and context in which they are included and have not withdrawn that consent before lodgement of this Prospectus with ASIC, or to the Directors' knowledge, before any issue of New Shares or Options under this Prospectus.

This Prospectus was prepared on the basis that certain matters may be reasonably expected to be known to likely investors or their professional advisers.

Each Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

A handwritten signature in black ink that reads "David Timms". The signature is written in a cursive style with a long horizontal line above the first few letters.

David Timms
Managing Director

18 November 2005

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