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Inco Farms-in to remainder of GCR's Broken Hill Property

Golden Cross Resources has entered into an agreement with Inco Australia Limited Partnership ("Inco") for a farm-in to the remainder of Golden Cross' Broken Hill property, EL 6518.

Under the terms of this agreement, Inco may earn a 60% interest in the 112-unit area, shown in Figure 1, by spending \$2.4 million on exploration by 5 May 2010. Inco must spend \$100,000 on exploration by 5 May 2007 before it may withdraw from the agreement.

The 27-unit area subject to a farm-in by JOGMEC, in the north of the property, is excluded from the Inco farm-in.

Inco will focus its exploration on the nickel-platinum-copper-bearing ultramafics extending for over 20 km to the south from Mt Gipps, through Little Darling Creek, Red Hill, Rockwell and the Little Broken Hill Gabbro. At Little Darling Creek old workings contain high grade nickel-copper-platinum lodes, and at Red Hill there are old nickel-platinum workings and a 40m mining shaft, reported to have been in nickel-copper-platinum mineralisation for its full length.

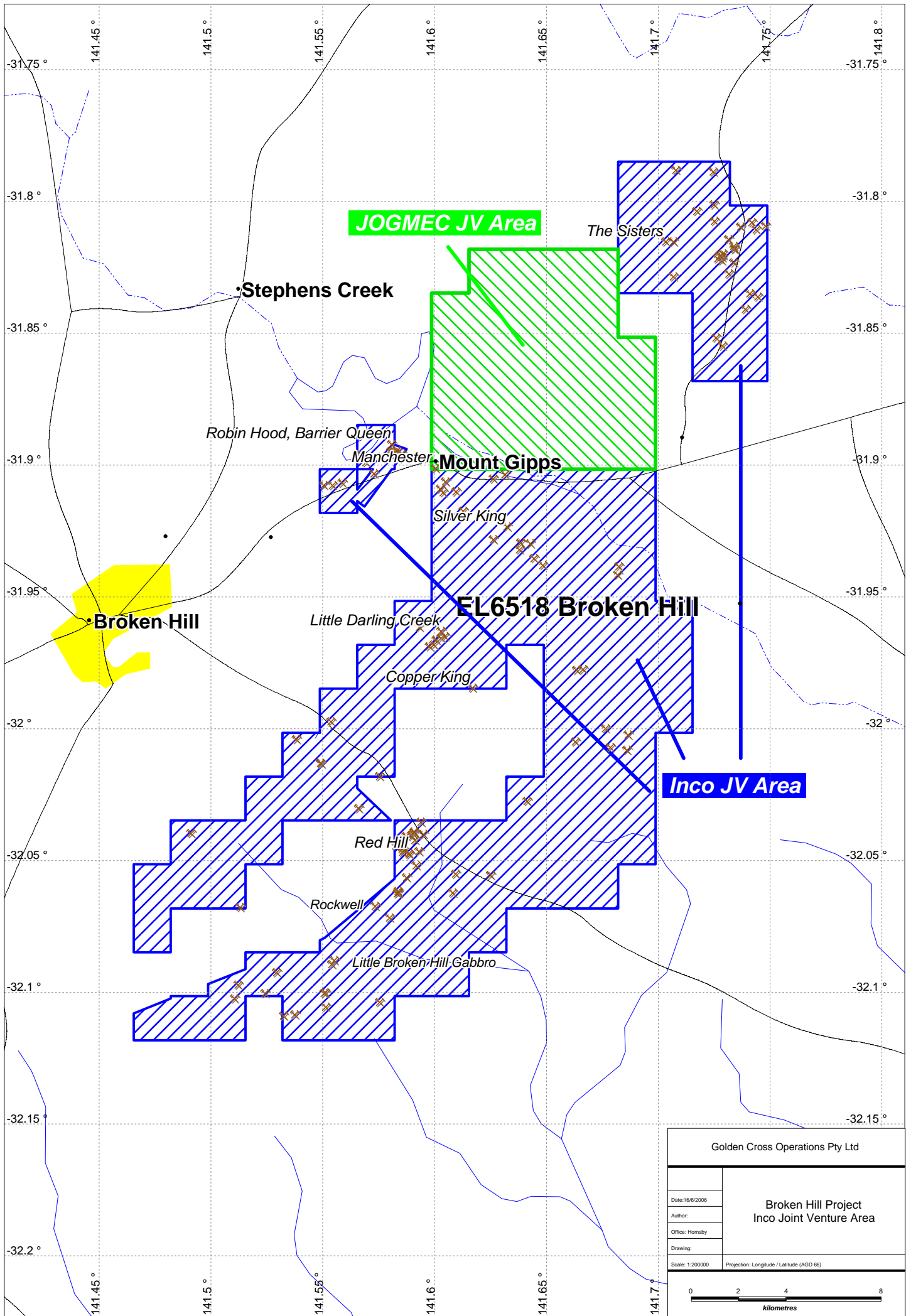
Golden Cross is pleased to establish a relationship with Inco and looks forward to a successful joint venture.

Enquiries: Kim Stanton-Cook, Managing Director on kim@goldencross.com.au or Daven Timms, Company Secretary on daven.timms@goldencross.com.au

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Golden Cross is a gold and base metals explorer holding most of its tenements in the Lachlan Fold Belt of New South Wales. GCR is in the process of farming out or selling some of these projects as all efforts are applied to take the Copper Hill project forward. It is GCR's intention to establish a mining operation at Copper Hill with a mill and plant capacity of approximately 10 million tonnes per annum producing, over ten years, in excess of 330,000 tonnes of copper and over 1,000,000 ounces of gold.

This report was prepared by Kim Stanton-Cook, Managing Director and full time employee of Golden Cross Resources Ltd, who is a Member of the AIG and has more than five years' experience in the field of activity in which he is reporting.



Golden Cross Operations Pty Ltd	
Date: 16/6/2006	Broken Hill Project Inco Joint Venture Area
Author:	
Office: Hornsby	
Drawing:	
Scale: 1:200000	Projection: Longitude / Latitude (AGD 66)