



GOLDEN CROSS RESOURCES LTD

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Underwriting of Options

GCR is pleased to announce that agreements have been reached for the underwriting of the exercise of 107 million quoted options exercisable at 5 cents by 30 September 2006 ("options"). Westchester Financial Services Pty Limited has underwritten for an underwriting fee of 4%, conditional on the option exercise being fully sub-underwritten and the performance of the sub-underwriters. The exercise of 107 million options is fully sub-underwritten.

The agreement for the underwriting of the options provides for the sub-underwriting of the exercise of 50 million options on a firm basis. The Company has agreed that it will meet its obligations to the firm sub-underwriters firstly to the extent of any options not exercised by existing holders and secondly by an issue of new shares at 5 cents per share. If all of the underwritten options are taken up by their existing holders, 157 million shares will be issued, raising \$7.6 million after costs. The Company would then have approximately 515 million shares on issue.

GCR Managing Director, Mr Kim Stanton-Cook, said today:

"We are delighted to have the exercise of GCR's options underwritten. The exercise of the options stands to raise the Company between \$5.1 million and \$7.6 million after costs, which will assist in accelerating the exploration effort and economic studies presently underway at GCR's 100%-owned Copper Hill project".

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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 in the range of 5 to 10 million tonnes per annum producing, over its life, in excess of 400,000 tonnes of copper and over 1,200,000 ounces of gold.