

GOLDEN CROSS RESOURCES LTD

ABN 65 063 075 178

22 Edgeworth David Ave
Hornsby NSW 2077
Phone (02) 9482 8833
Fax (02) 9482 8488

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2006 Annual General Meeting of the members of Golden Cross Resources Ltd (the "Company" or "GCR") will be held at History House, 133 Macquarie St, Sydney, NSW on Wednesday 4 October 2006 at 4.00 pm for the following business:

1. Financial Report

To receive and consider the Financial Report and the reports of the Directors and Auditor for the year ended 30 June 2006.

2. Re-election of David Timms as a Director

To consider and, if thought fit, pass as an Ordinary Resolution:

"That Mr David Timms, being a Director retiring by rotation in accordance with Rule 17.2 of the Company's Constitution, and who offers himself for re-election as a Director, be re-elected as a Director of the Company."

Further information in relation to Resolution 2 is set out in the Explanatory Notes, below.

3. Re-election of Chris Torrey as a Director

To consider and, if thought fit, pass as an Ordinary Resolution:

"That Mr Chris Torrey, being a Director retiring by rotation in accordance with Rule 17.2 of the Company's Constitution, and who offers himself for re-election as a Director, be re-elected as a Director of the Company."

Further information in relation to Resolution 3 is set out in the Explanatory Notes, below.

4. Approval for the issue of up to 50 million shares to sub-underwriters

To consider and, if thought fit, pass as an Ordinary Resolution:

"That the Directors of the Company be authorised, for the purposes of ASX listing rule 7.1, to issue and allot up to 50 million shares on the following terms and conditions:

- (i) *the issue and allotment of the shares will occur progressively and be completed no later than 31 October 2006;*

- (ii) *the shares will be issued at a price of 5 cents per share;*
- (iii) *the shares will be issued to sub-underwriters of the exercise of the Company's quoted options, exercisable at 5 cents by 30 September 2006;*
- (iv) *the shares will have the same terms as the Company's existing ordinary fully paid shares;*
- (v) *the funds raised will be used for working capital purposes."*

The Company will disregard any votes cast on Resolution 4 by any of the sub-underwriters or their associates. However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

5. Remuneration Report

To consider and, if thought fit, pass as a non-binding resolution:

"That the Remuneration Report be adopted."

Further information in relation to Resolution 5 is set out in the Explanatory Notes below.

VOTING ENTITLEMENTS

In accordance with Regulation 7.11.37 of the *Corporations Regulations*, the Company has determined that for the purposes of the meeting, shares will be taken to be held by those persons recorded on the Company's share register at 4.00 pm Sydney time on Monday 2 October 2006. This means that if you are not the registered holder of a relevant share at that time you will not be entitled to attend and vote at the meeting.

EXPLANATORY NOTES

Resolution 2 – Re-election of David Timms as a Director

David Timms retires as a Director in accordance with Rule 17.2 of the Company's Constitution and, being eligible, offers himself for re-election.

David was Managing Director of the Company from 1994 until February 2006, when he became a Non-executive Director.

David was Manager, Amoco Minerals Australia from 1972 to 1985 and Exploration Manager, Cyprus Gold from 1985 to 1990. He has managed teams that discovered 30 mineable deposits including Red Dome, Gidgee, Junction Reefs, Selwyn-Starra, Moline, Mt McClure, Gold Ridge (Solomon Islands) and Dinkidi (Philippines).

Resolution 3 – Re-election of Chris Torrey as a Director

Chris Torrey retires as a Director in accordance with Rule 17.2 of the Company's Constitution and, being eligible, offers himself for re-election.

Chris was Director-Exploration of the Company from 2003 until February 2006, when he became a Non-executive Director.

Chris was Exploration Manager of the Company from 1996 to 2003. He is the principal of geological consulting company CTEX Pty Ltd. He was a geologist with Cyprus Amax from 1986 to 1996, exploring in Australia, New Zealand, Central America and Indonesia. He has explored for copper-gold porphyries, porphyry-related skarns, epithermal-gold silver and shear-hosted gold systems.

Resolution 4 – Approval for the issue of up to 50 million shares to sub-underwriters

This resolution provides for the issue of up to 50 million shares to sub-underwriters of the exercise of the Company's quoted options, exercisable at 5 cents by 30 September 2006.

In the event that all of the Company's quoted 5 cent options are exercised, either by optionholders or sub-underwriters, the resolution allows for the placement of up to 50 million shares to sub-underwriters. If all of the 50 million shares were issued, the Company would then have approximately 514 million shares on issue.

Westchester Financial Services Pty Limited has underwritten the exercise of the 107 million quoted 5 cent options in consideration of an underwriting fee of 4%, conditional on the option exercise being fully sub-underwritten and the performance of the sub-underwriters.

The agreement for the underwriting of the options provides that sub-underwriters may be offered sub-underwriting of the exercise of up to 50 million options on a firm basis. This means that if firm sub-underwriting commitments are obtained for the full 50 million options and if the take up of options by existing

holders exceeds 57 million, the Company will meet its obligation to the 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.

The Company presently has slightly in excess of 107 million 5 cent quoted options on issue. If all of these are exercised, it would raise over \$5.3 million. If the full 50 million shares are issued to the firm sub-underwriters under this resolution, it would raise an additional \$2.5 million, for a total raising of approximately \$7.8 million before costs.

Ratification of the issue will go towards renewing the Company's 15% new issue capacity in accordance with ASX Listing Rule 7.1.

A possible disadvantage, if Resolution 4 is passed, is the dilutory effect on the Company's share price, due to the increased number of shares on issue. This would be offset by the additional \$2.5 million, before costs, received by the Company for those shares.

Resolution 5 – Remuneration Report

As required by section 249L of the *Corporations Act 2001*, the Remuneration Report of the Company must be laid before the annual general meeting.

The Remuneration Report is set out in the Directors' Report contained in GCR's 2006 Annual Report. It is also available on GCR's website at www.goldencross.com.au

The report explains the policy behind GCR's remuneration practices and sets out remuneration details for each Director.

A reasonable opportunity will be provided at the meeting for discussion of the Remuneration Report. While there is a requirement for a formal resolution on this item under section 250R(2) of the *Corporations Act 2001*, the resolution is advisory only and does not bind the Company or the Directors.

PROXIES

To be effective, proxy forms must be received by the Company at the above address or fax number at least 48 hours before the time for holding the meeting.

A member entitled to attend and vote is entitled to appoint not more than two persons as his/her proxy to attend and vote instead of the member. A proxy need not be a member of the Company. If more than one proxy is appointed, the proxy form may specify the proportion or number of the member's votes that each proxy may exercise, but if the proxy form does not specify a proportion or number of votes then each proxy may exercise half of the member's votes.

Dated 18 August 2006 by order of the Board.

DAVEN TIMMS
Company Secretary

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Hornsby NSW 2077
Phone (02) 9482 8833
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[SHAREHOLDER NAME AND BARCODE]

PROXY FORM FOR OCTOBER 2006 ANNUAL GENERAL MEETING

I/We, the abovenamed, appoint (*)
or in his/her absence (*)
of (address).....

or in his/her absence the CHAIR (**) of the meeting as my/our proxy to vote on my/our behalf in respect of

ALL or(***)of my/our shares at the General Meeting of the Company to be held at 4.00 pm on Wednesday 4 October 2006 and any adjournment of that meeting.

I/we direct my/our proxy to vote in respect of each resolution to be considered as indicated with an "X", and to vote or abstain in respect of a procedural resolution as my/our proxy thinks fit.

If the Chair of the meeting is appointed as your proxy, or may be appointed by default and you do **not** wish to direct your proxy how to vote as your proxy in respect of a resolution, please place an "X" in the box to the right.

By marking this box, you acknowledge that the Chair of the meeting may exercise your proxy even if he has an interest in the outcome of the resolutions and that votes cast by the Chair of the meeting for those resolutions other than as proxy holder will be disregarded because of that interest.

If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on the resolution and your votes will not be counted in calculating the required majority of a poll is called on the resolution.

Notes:

- * A proxy need not be a member of the Company.
- ** The Chair of the meeting intends to vote in favour of all resolutions in respect of undirected proxies given to him.
- *** A member entitled to attend and vote may appoint not more than two proxies. Separate forms must be used for each proxy. Each proxy must be appointed to represent a specified proportion or number of the member rights by inserting the relevant proportion or number of shares each proxy may vote. If the proxy form does not specify a proportion or number of votes then each proxy may exercise half of the member's votes.

	Resolution	For	Against	Abstain
2.	Re-election of David Timms as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.	Re-election of Chris Torrey as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.	Approval for the issue of 50 million shares to sub-underwriters	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.	Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If no direction is given, I/we authorise my/our proxy to vote or abstain as my/our proxy thinks fit in respect of each resolution to be considered by the meeting and any adjournment of the meeting.

Dated2006 Signature

To be valid, this proxy form, together with the power of attorney or other authority under which it is signed, or a notarially certified copy of that power or authority, must be deposited at the registered office of the Company or faxed to (02) 9482 8488 by 4.00 pm on Monday 2 October 2006. Copies of this proxy form may be obtained by telephoning GCR's office.