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Farm-in to Cargo Property by subsidiary of TLC Ventures

Golden Cross Resources Ltd (ASX:GCR) is pleased to announce that its wholly owned subsidiary Golden Cross Operations Pty Ltd ("GCO") has entered into a farm-in agreement with Cybele Resources (Australia) Pty Ltd ("Cybele") over GCO's wholly owned Cargo gold-copper property in New South Wales. Cybele is a subsidiary of Vancouver-based exploration company TLC Ventures Corp ("TLC Ventures") (TLV: TSX-V).

TLC Ventures is an exploration and mine development company focused on the acquisition, advancement and development of world-wide precious and base metal assets, with exploration programs underway in Canada, Australia and the South-West Pacific Islands.

Farm-in Agreement

Under the terms of the agreement Cybele can acquire a 70% direct interest in the Cargo Exploration Licence, EL 5238, from GCO by spending AUD\$5.0 million on exploration and development over 4 years. Cybele has committed to a minimum AUD\$250,000 expenditure in the first year of the agreement with subsequent annual minimum expenditures being at the election of Cybele as follows: Year 2: AUD\$750,000, Year 3: AUD\$1,500,000 and Year 4: AUD\$2,500,000. Expenditures in excess of these amounts can be accumulated and carried forward. Once Cybele confirms its 70% interest in the Cargo property, subsequent program budgets would be funded 70% by Cybele and 30% by GCO, unless GCO elects to withdraw. In this event Cybele could acquire a further 30% interest from GCO and GCO would be entitled to a royalty from future production, which commences at 0.33% and over four years increases to 2.0% of the net smelter return from the project. Completion of the transaction is subject to TSX Venture Exchange approval.

Property Location

The Cargo porphyry gold-copper property is accessible by road and is located approximately 35 km southwest of Orange, NSW. EL 5238 covers 60 sq km and is located within prospective Ordovician volcanic rocks of the Lachlan Fold Belt which contain several porphyry-related gold-copper deposits including the Cadia Hill-Ridgeway gold-copper mines operated by Newcrest Mining Limited. The Cadia Hill open pit and Ridgeway underground mines, located 13 km east of the Cargo property are one of Australia's largest gold and copper mining operations with combined annual production of 614,832 oz of gold and 62,147 tonnes of copper (Newcrest Mining 2006 Annual Report).

Geology and Mineralisation

The Cargo property covers a portion of the Cargo Intrusive Complex, a suite of quartz monzonite and diorite stocks that intrude a sequence of Ordovician-aged andesitic volcanic rocks. The Cargo porphyry system is concentric and is characterised by a core of intrusive rocks containing copper and molybdenum mineralisation and an outer arcuate zone of magnetite and pyrite-altered volcanic rocks containing gold-bearing hydrothermal breccias and quartz veins. Previous exploration on the Cargo property by Golden Cross and others has identified a number of near surface and deeper gold and copper targets that will be drill tested by Cybele during 1Q/2007.



Cybele Phase I Drill Program

Cybele is currently completing a thorough compilation of all technical data on the Cargo property including the investigation of additional zones of gold and copper mineralisation. Cybele anticipates that RC & diamond drilling of high priority gold-copper targets (see below) on the Cargo property will begin during the first quarter of 2007.

Near Surface Target

The most intensely altered rocks at Cargo are located southeast and along strike of all the principal holes drilled to date. This untested area extends approximately 400m to the Essex Prospect where previous drilling returned gold intercepts including 14m at 4.1 g/t gold, 9m at 5.63 g/t gold and 6m at 9.53 g/t gold. Cybele will complete up to 6 drill holes for 1,650m to test for new zones and extensions of the known, near-surface gold and copper mineralisation.

Deeper Targets

Geophysical surveys indicate that two zones of high relative magnetic susceptibility coincide with the most intensely altered rocks at surface on the Cargo property. These magnetic highs may be related to particularly intense potassic (magnetite) alteration similar to that which hosts the nearby Cadia Hill-Ridgeway gold-copper deposits. Previous shallow drilling in the vicinity of the magnetic anomalies has intercepted significant porphyry gold and copper mineralisation, with historic intercepts including 187m at 0.43% copper and 0.23 g/t gold, and 108m at 0.50% copper and 0.22 g/t gold. The magnetic highs located beneath these zones of intense alteration and gold-copper mineralisation will be tested by two deep diamond drill holes for up to 1,600m.

There are now seven active farm-ins or joint ventures on Golden Cross properties: at Broken Hill (JOGMEC in northern part and Inco in southern part); Wagga Tank (Zinifex); Yellow Mountain (70%Triako/30% GCO joint venture); Cullarin (Tri Origin); Belubula (Agricultural Equity Investments) and at Cargo (Cybele Resources).

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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 low cost 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.

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Kim Stanton-Cook, who is a member of the Australian Institute of Geoscientists, is a full-time employee of GCR, and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity 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". Kim consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.