



GOLDEN CROSS RESOURCES LTD

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7 May 2008

Response to ASX Price Query

On 6 May 2008 the Company (GCR) received a price query from ASX due to the recent increase in the price and volume of trading in GCR's securities, the share price having risen from 4.1c on 2 May 2008 to a high of 6.4c on 6 May 2008. A copy of ASX's letter is attached.

In answer to the specific questions asked by ASX, GCR states as follows:

1. GCR is not aware of any information concerning it that has not been announced which, if known, could explain the recent trading in the securities of GCR; GCR released its March Quarterly Report on 21 April 2008. The Report included details of the recent farmout to Legend International Holdings Inc (OTCBB:LGDI) of an 80% interest in the phosphate minerals on GCR's Mt Isa properties, which the Queensland DME estimates contain 480 million tonnes of rock phosphate at 15% P₂O₅. GCR retains a 20% interest in the phosphate resources, free carried to a decision to mine.

LGDI is a Melbourne-based company, whose Chief Executive Officer is Mr Joseph Gutnick. Legend's share price has risen recently from US\$2.55 closing on 30 April 2008 to US\$4.46 closing on 5 May 2008. At the 5 May price, LGDI had a market capitalisation of approximately US\$800 million.

2. See above.
3. A possible reason for the increase in GCR's share price is that LGDI recently published, at www.ldgi.net, its May 2008 presentation, which at page 3 lists the phosphate resources at the Lily Creek, Quita Creek, Sherrin Creek and Highland Plains prospects, all located on GCR's 100%-owned Mt Isa properties farmed-out to LGDI. The resources on the GCR properties equate to approximately 30% of the total contained P₂O₅ in LGDI's published resources.

Rock phosphate prices have risen exponentially over the past year, due to unprecedented global demand for fertilisers; for example, Moroccan rock phosphate prices have risen from around US\$50/t to US\$350/t over this period.

On 5 May 2006 LGDI announced a long term offtake agreement with Indian Farmers Fertiliser Cooperative Limited for LGDI's 100%-owned Lady Annie project, scheduled to be in production by mid 2010 – see www.ldgi.net

4. GCR confirms that it is in compliance with the listing rules, and in particular, listing rule 3.1.

Enquiries:

Kim Stanton-Cook, Managing Director – ph (02) 9472 3500

Daven Timms, Secretary – ph (02) 9472 3500

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GCR is a gold, uranium, and base metals explorer with properties in NSW, Queensland and Western Australia. It also has joint venture exploration interests for phosphates in Queensland, gold in Panama and uranium in Labrador, Canada. GCR has taken its 100%-owned Copper Hill property to the Indicated & Inferred Resource stage and is seeking a joint venturer to take the project forward. Drilling is in progress, or results awaited, on a number of GCR properties, including Copper Hill, Wagga Tank, Canbelego and Panama. See: www.goldencross.com.au

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6 May 2008

Daven Timms
Golden Cross Resources Limited
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By email: daven.timms@goldencross.com.au

Dear Daven

ASX Limited
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Golden Cross Resources Limited (the "Company")

We have noted a change in the price of the Company's securities from \$0.041 on 2 May 2008 to \$0.064 today. We have also noted an increase in the volume of trading in the securities over this period.

In light of the price change and increase in volume, please respond to each of the following questions.

1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?
2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any other explanation that the Company may have for the price change and increase in volume in the securities of the Company?
4. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me by e-mail at joseph.anderson@asx.com.au or by facsimile on **facsimile number (02) 9241 7620**. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later than half an hour before the start of trading (ie **before 9.30 a.m. E.S.T) on Wednesday, 7 May 2008**).

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a suitable form and separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in listing rule 3.1A.

In responding to this letter you should consult listing rule 3.1 and Guidance Note 8 – Continuous Disclosure: listing rule 3.1.

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If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Company's securities. As set out in listing rule 17.1 and Guidance Note 16 – Trading Halts we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following.

- The reasons for the trading halt.
- How long you want the trading halt to last.
- The event you expect to happen that will end the trading halt.
- That you are not aware of any reason why the trading halt should not be granted.
- Any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please let me know.

Yours sincerely,



Joseph Anderson

Adviser, Issuers (Sydney)

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