

Monday 15 March 2010

Golden Cross Resources Ltd
ABN 65 063 075 178



PROSPECTUS

for a non-renounceable entitlements offer to Eligible Shareholders of up to 453,732,034 New Shares on the basis of 1 New Share for every 2 Shares held at an issue price of 1.8 cents per New Share together with up to 453,732,034 new 2011 Options on the basis of 1 free 2011 Option for every New Share subscribed

**The entitlements offer closes at 5:00 pm (Sydney time)
on Monday 12 April 2010**

THE OFFER IS FULLY UNDERWRITTEN

**SHAREHOLDERS MAY APPLY FOR ADDITIONAL NEW SHARES AND
2011 OPTIONS**

This Prospectus is important and requires your immediate attention. It should be read in its entirety. If after reading this Prospectus, you do not understand it or have any questions about the New Shares or 2011 Options being issued under this Prospectus or any other matter, you should consult your sharebroker, accountant or other adviser without delay in order to satisfy yourself as to the contents of this Prospectus. This Offer should be considered speculative and read in conjunction with the risk factors outlined in Section 4 of this Prospectus.



GOLDEN CROSS RESOURCES LTD

ABN 65 063 075 178

PROSPECTUS

A non-renounceable rights offer of one (1) New Share plus one (1) free 2011 Option for every two (2) Shares held by Eligible Shareholders (registered holders of Shares as at 7.00pm Sydney Time on Wednesday 24 March 2010 with registered addresses in Australia or New Zealand) at an Issue Price of 1.8 cents per New Share to raise approximately \$8.167 million. The offer is fully underwritten.

The free 2011 Options are options to subscribe for Shares in Golden Cross at an exercise price of 4 cents per Share with an expiry date of 31 March 2011. The terms and conditions of the 2011 Options are set out in Section 8.7.

Golden Cross has applied for Official Quotation of the New Shares and 2011 Options on the ASX.

The funds raised will be used for the working capital requirements of Golden Cross. In particular, the funds will primarily be used to fund a feasibility study of Golden Cross' Copper Hill resource in New South Wales.

This Offer opens on Thursday 25 March 2010 and closes at 5.00pm Sydney Time on Monday 12 April 2010. Valid acceptances and payment must be received before that closing time.

This Prospectus is dated Monday 15 March 2010 and was lodged with ASIC and the ASX on Tuesday 16 March 2010. It will be available in electronic form as a pdf copy available at www.goldencross.com.au. Any person accessing the electronic form of this Prospectus for the purpose of making an investment in Golden Cross must be an Australian or New Zealand resident and must only access the Prospectus within Australia or New Zealand. If Eligible Shareholders wish to obtain another personalised bar-coded copy of the Entitlement and Acceptance Form, please contact Golden Cross' Share Registry, Registries Limited on 1300 737 760 within Australia or +61 2 9290 9600 outside Australia.

Golden Cross Resources Ltd

22 Edgeworth David Ave
Hornsby NSW 2077
Australia
Phone (02) 9472 3500
Fax (02) 9482 8488

Underwriter:

Yu Jin Investment Co. Pte Ltd
(A company associated with HQ Mining
Resources Holding Pty Ltd)
6 Temasek Boulevard
#09-05 Suntec Tower Four
Singapore 038986

LETTER FROM THE CHAIRMAN OF GOLDEN CROSS

1. Intention to take up offer

Our Managing Director Mr Kim Stanton-Cook will be exercising his rights to take up entitlements to the New Shares (and 2011 Options) under the Offer. HQ Mining Resources Holding Pty Ltd (HQ), which holds 24.53% of the Shares of Golden Cross at the date of this Prospectus, has said it will take up the offer but will not apply for any Additional New Shares (and 2011 Options).

2. Terms of Offer

This Offer is a non-renounceable right to apply for New Shares (and 2011 Options) in Golden Cross. The rights set out in this Offer are not tradeable and are exclusive to each Eligible Shareholder. Application for Official Quotation of the New Shares (and 2011 Options) on the ASX has been made by Golden Cross.

Golden Cross is seeking to raise approximately \$8.167 million. For every two Shares you hold on the Record Date, you are entitled to apply for one New Share at 1.8 cents for each New Share and one free 2011 Option.

Applications for Additional New Shares (and 2011 Options) may be made. Applications for Additional New Shares will be dealt with in order of their receipt by the Registry. If you forward your application at the end of the period and seek Additional New Shares (and 2011 Options) you might not receive any Additional New Shares (and 2011 Options). You will receive your Entitlement but no Additional New Shares (and 2011 Options) if all New Shares have been taken up by the time the Share Registry receives your application. If you intend to apply for Additional New Shares (and 2011 Options) I recommend that you forward your applications as soon as possible.

3. Use of funds

The funds raised will be used for the working capital requirements of Golden Cross. In particular, they will fund a feasibility study of Golden Cross' resource at Copper Hill in New South Wales. Details of the Copper Hill resource are set out later in this Prospectus.

4. How to accept Entitlements to New Shares and 2011 Options

Entitlements to New Shares (and 2011 Options) can be accepted in full or in part (subject to the rules on minimum subscriptions set out in this Prospectus) by completing and returning the personalised bar-coded Entitlement and Acceptance Form which accompanies this Prospectus in accordance with the instructions set out below and on the Entitlement and Acceptance Form.

You may apply for Additional New Shares (and 2011 Options) in excess of your Entitlement by completing the relevant part of the Entitlement and Acceptance Form. Golden Cross cannot guarantee that Eligible Shareholders who apply for such Additional New Shares (and 2011 Options) will be issued with any such securities. Applications for such Additional New Shares (and 2011 Options) may only be made in the amounts set out in the Acceptance Form (in blocks of 100,000 shares). Acceptance by Golden Cross of such applications will be subject to such New Shares being available from the maximum to be issued and preference shall be granted to those applications that are received on the basis of order of receipt of funds into the Company bank account.

Please read the instructions in this Prospectus and on the accompanying bar-coded Entitlement and Acceptance Form regarding the acceptance of your Entitlement and in relation to any application you may make for Additional New Shares (and 2011 Options).

5. Date on or before which offer is to be taken up

5.00pm (Sydney time) on Monday 12 April 2010.

6. Read the document carefully

I take this opportunity to recommend to all our Shareholders to read the whole of this Prospectus carefully and thoroughly. I remind all Shareholders that investments in our company are not guaranteed and the very nature of the operations of Golden Cross is one of speculation.

I can assure you that the directors and staff of the company are working very hard to improve the position of the Company but we cannot and do not guarantee the future performance of Golden Cross and, in particular, the conclusions of the feasibility study at Copper Hill. No person named in this Prospectus, nor any other person, guarantees the performance of Golden Cross, the repayment of capital or the payment of a return on the New Shares (or 2011 Options).

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Chris Torrey', with a long, sweeping flourish extending to the right.

Chris Torrey
Chairman

OFFER TIMETABLE

The timetable for the Offer is as follows:

Event	Date
Announcement of Offer	Tuesday 16 March 2010, before ASX trading opens
Lodgement of Prospectus with ASIC and ASX, Notice to Existing Option holders and Appendix 3B lodged with ASX	Tuesday 16 March 2010
Notice to Shareholders and Existing Option holders containing information required by Listing Rules	Wednesday 17 March 2010
Shares quoted on an ex-entitlement basis (the "ex" date, being 4 business days before record date)	Thursday 18 March 2010
Record Date for determining Entitlements (7.00pm Sydney time)	Wednesday 24 March 2010
Opening Date: Prospectus and Entitlement and Acceptance Form sent to Eligible Shareholders	Thursday 25 March 2010
Closing Date (5.00pm Sydney time)	Monday 12 April 2010
Securities quoted on a deferred settlement basis	Tuesday 13 April 2010
Notification to ASX of Shortfall	Wednesday 14 April 2010
Despatch Date/Securities entered into Shareholders and Option holders security holdings. Mail out of holding statements.	Tuesday 20 April 2010

All dates are subject to change and accordingly are indicative only. Golden Cross has the right to vary the dates of the Offer, without prior notice. Eligible Shareholders wishing to take up their rights should submit their bar-coded Entitlement and Acceptance Forms as soon as possible.

OFFER STATISTICS

Number of Shares currently on issue	907,464,068
Maximum number of New Shares to be issued and allotted to Shareholders (assuming no Existing Options are exercised prior to the Record Date)	453,732,034
Maximum number of 2011 Options to be issued and allotted to Shareholders (assuming no Existing Options are exercised prior to the Record Date)	453,732,034
Issue Price per New Share (with free 2011 Option)	1.8 cents each
Approximate amount to be raised from the Issue	\$8.167 million

IMPORTANT INFORMATION AND NOTICES

This Prospectus is dated Monday 15 March 2010. A copy of this Prospectus was lodged with ASIC on 16 March 2010. Neither ASIC nor ASX is responsible for the contents of this Prospectus. No securities will be issued on the basis of this Prospectus after the Prospectus Expiry Date, which is 13 months after the date of this Prospectus.

The shares offered under this Prospectus (the “New Shares”) are in a class of shares that are listed for quotation on a stock market of the ASX. The 2011 Options offered under this Prospectus are in a class of options that are not presently listed for quotation on a stock market of the ASX. The Company has applied to ASX for Official Quotation of the New Shares and 2011 Options.

Defined terms and abbreviations used in this Prospectus are explained at the rear of this Prospectus. All monetary amounts referred to in this Prospectus are expressed in Australian Dollars unless indicated otherwise.

No person is authorised to give any information or make any representation regarding the Offer under this Prospectus. Any information or representation in relation to the offers that is not contained in this Prospectus may not be relied upon as having been authorised by the Company or its Directors.

SHAREHOLDERS OUTSIDE AUSTRALIA AND NEW ZEALAND

Eligible Shareholders, being Shareholders registered as holders of Shares at 7.00pm (Sydney time) on the Record Date with registered addresses in Australia or New Zealand, may participate in the Offer. Golden Cross considers it is unreasonable to extend the Offer to Shareholders with registered addresses, as at the Record Date, outside of Australia and New Zealand (“Ineligible Shareholders”) having regard to the small number of overseas Shareholders, the number and value of New Shares (and 2011 Options) these Shareholders would be offered and the costs of complying with legal and regulatory requirements in each of those other jurisdictions. No Entitlement and Acceptance Forms will be sent to Ineligible Shareholders.

The Offer is not extended to, and no New Shares or New Options are offered or will be issued to, Ineligible Shareholders. Shareholders with registered addresses in Australia or New Zealand who hold Shares on the Record Date on behalf of persons who are not resident in Australia or New Zealand are responsible for ensuring compliance with all laws of the relevant overseas jurisdiction.

This Prospectus and accompanying Entitlement and Acceptance Form does not constitute, and is not intended to constitute, an offer of New Shares (and 2011 Options) in any place outside Australia and New Zealand in which, or to any person to whom it would not be lawful to make such an offer or to issue this Prospectus or the Entitlement and Acceptance Form.

The distribution of this Prospectus and the accompanying Entitlement and Acceptance Form in jurisdictions outside Australia and New Zealand may be restricted by law and anyone who comes into possession of this Prospectus should seek advice on and observe those restrictions. Any failure to comply with such restrictions might constitute a violation of applicable securities laws.

It is the responsibility of any person who comes into possession of this Prospectus outside Australia and New Zealand to ensure compliance with all laws of their country of residence. It is the responsibility of Applicants outside Australia and New Zealand to ensure compliance with all laws of any country relevant to their Acceptance.

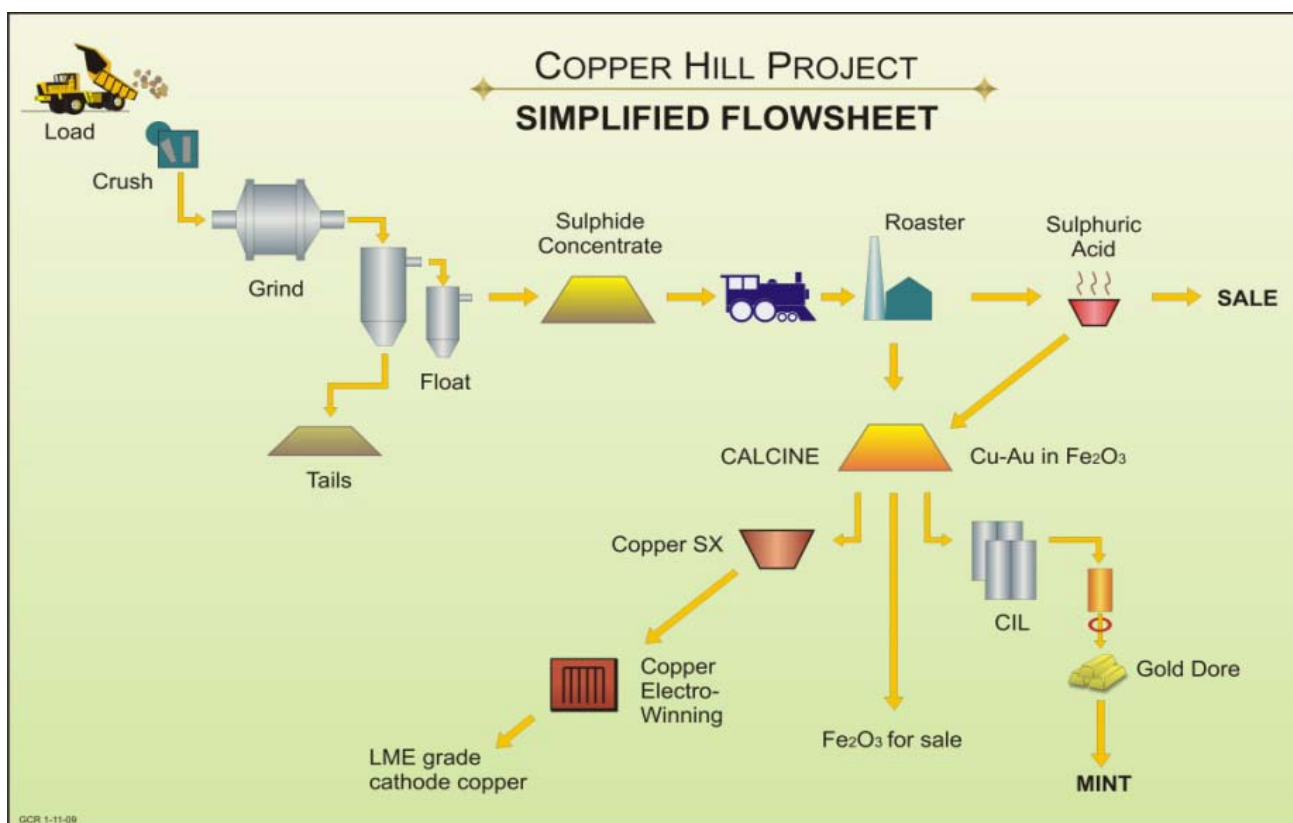
COPPER HILL, NEW SOUTH WALES

Proceeds from the Offer will be used primarily to fund a feasibility study of developing the Copper Hill resource.

Summary

Copper Hill remains Golden Cross' most advanced resource, with in-ground JORC (Joint Ore Reserves Committee) compliant resources containing over 421,000 tonnes of copper and 1.2 million ounces of gold. The porphyry copper-gold deposit has, at current copper and gold prices, the potential to become an operating mine. The Company has developed an extraction and recovery model yielding copper metal, gold bullion, acid, and iron.

Golden Cross has signed a Memorandum of Understanding with Sinomach Group company, China National Automation Control System Corp (CACs) to conduct a feasibility study at Copper Hill. Golden Cross intends to commission this study following the completion of this rights issue and the receipt of funds from the Offer. Having regard to the information and data already supplied to it by Golden Cross, CACS has advised Golden Cross that the study will take about one year to complete and cost approximately \$5.8 million.



Resource

Copper Hill has a low waste:ore strip ratio and good metallurgical characteristics. The concentrate is 'clean' with no deleterious elements present at significant levels. Copper Hill's mineralised rock has a low bond work index (17.5) indicating a short residence time in a grinding ball or SAG mill.

The Copper Hill resource is summarised in the table below.

Copper Hill Resource – JORC-compliant Resources at 0.2% copper cut-off grade

Category	Mt	% Cu	g/t Au	kt Cu	Moz Au
Measured 13%	16.9	0.39	0.429	66	0.23
Indicated 50%	66.9	0.325	0.288	217	0.62
Inferred 37%	48.7	0.284	0.225	138	0.35
Total 100%	133	0.318	0.283	421	1.20

Sulphide Roasting

The feasibility study will determine whether the sulphides at Copper Hill may be floated, roasted and converted into acid soluble copper and free gold within an iron oxide-rich roaster calcine. The Company has produced cathode copper by Solvent Extraction from the calcine followed by Electro-Winning (SX-EW). The feasibility study will investigate whether gold can be leached by cyanide, recovered by Carbon-in-Leach (CIL) and smelted to gold bullion.

The feasibility study will also investigate whether the roaster exhaust sulphur dioxide may be captured to produce the necessary sulphuric acid for copper leaching with the excess available for sale. The study will assess whether residual iron oxide calcine would be available for sale to the steel-making industry.

Environmental Considerations

Water is an important issue. The company has not yet sought water rights but Golden Cross will investigate using local aquifers and building a pipeline from Lake Burrendong, 50 kilometres to the northeast.

The proposed roasting process would be autogenous using the sulphides as fuel. Excess heat may be available for electrical power generation.

Community and Infrastructure

Copper Hill is well placed in regard to infrastructure, lying 5 kilometres north of Molong (population 1,600). The towns of Orange (pop. 40,000) and Wellington (pop. 10,000) lie 40 kilometres southeast and 60 kilometres north respectively.

The district has capacity for construction and fabrication. Major mines such as Cadia-Ridgeway and Northparkes operate within 75 kilometres of Copper Hill. Local maintenance facilities and supply chains are well established.

Key infrastructure facilities include the Mitchell Highway adjacent to the Copper Hill area. The former Orange to Dubbo railway line, which is suitable for in-bound construction materials and outbound concentrate trucks, terminates beside Copper Hill. A 132kv power sub-station lies on the eastern outskirts of Molong only 4.5 kilometres from Copper Hill.

In South Australia, Port Pirie is a potential site for a Roaster - Acid Plant - SX-EW - CIL complex. Vacant land is available close to water, power, road and rail within the Port Pirie

precinct. A skilled workforce is resident within the area. Standard gauge rail track links directly between Molong and Port Pirie.

Exploration

Golden Cross has commenced a new 4,000 metre drilling program at Copper Hill. It includes deep drilling beyond 350 metres depth, has been planned beneath Copper Hill, at Buckleys Hill (Copper Hill North) and at the higher grade Wattle Hill Zone to the south.

As well as Copper Hill, Golden Cross will continue its exploration activities at Burra and Cargo in NSW, at its South Australian tenements, and at Mulga Tank in Western Australia. Exploratory drilling is under consideration on Golden Cross' Queensland coal tenements.

Statement of JORC Compliance

The geological and mining information in this prospectus is based on information compiled by Mr Kim Stanton-Cook. Mr Stanton-Cook is a member of the Australian Institute of Geoscientists, is a full-time employee of Golden Cross, 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". Mr Stanton-Cook consents to the inclusion in this Prospectus of the matters based on his information in the form and context in which it appears.

DETAILS OF THE OFFER

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1. INVESTMENT SUMMARY

The information set out in this Section 1 is not intended to be comprehensive. It should be read in conjunction with the full text of this Prospectus.

1.1 The Offer

This Prospectus is for a pro rata non-renounceable rights issue of up to 453,732,034 New Shares and 453,732,034 2011 Options at an issue price of 1.8 cents per New Share, on the basis of one (1) New Share and one (1) free 2011 Option for every two (2) Shares held by Eligible Shareholders. Shareholdings for participants are to be determined as at the Record Date, being 7.00pm (Sydney time) on Wednesday 24 March 2010. Golden Cross has applied for Official Quotation of the New Shares and the 2011 Options on the ASX.

The Offer is a pro rata offer to Eligible Shareholders. Eligible Shareholders who take up their Entitlement in full will not have their percentage shareholding in the Company diluted by the Offer. The percentage shareholding of Eligible Shareholders who do not take up their Entitlement in full or at all and of Ineligible Shareholders will be diluted following the issue of the New Shares and 2011 Options.

Based on the capital structure of the Company as at the date of this Prospectus and assuming no Existing Options are exercised prior to the Record Date:

- (1) the maximum number of New Shares to be issued pursuant to this Offer is approximately 453,732,034; and
- (2) the maximum number of 2011 Options to be issued pursuant to this Offer is approximately 453,732,034,

(subject to rounding and the number of Eligible Shareholders at the Record Date).

The Company currently has 17,985,000 Existing Options on issue. The terms and conditions of these Existing Options do not allow for the participation by those Existing Option holders in new issues of securities. Those Existing Option holders will, subject to the terms of their Existing Options, be entitled to exercise their Existing Options prior to the Record Date in order to participate in the Offer. Existing Option holders must exercise their Existing Options and be registered as the holder of Shares (issued on exercise of the Existing Options) prior to the Record Date in order to be entitled to participate in the Offer.

The full terms of the 2011 Options are set out in Section 8.7.

1.2 Minimum Subscription

If you have an Entitlement to less than 5,556 New Shares (and 2011 Options), thereby being required to make a payment of less than \$100 to take up your Entitlement, you may only accept the full amount of your Entitlement and not less. If you have an Entitlement to 5,556 or more New Shares (and 2011 Options), then the minimum subscription is 5,556 New Shares (and 2011 Options), being a minimum subscription amount of \$100.

Additional New Shares (and 2011 Options) may be applied for in lots of 100,000 shares. Applications for Additional New Shares (and 2011 Options) shall be dealt with in order of receipt into the Company's bank account.

1.3 Terms of New Shares and 2011 Options

New Shares will rank equally with and have the same rights as existing Shares. The New Shares and 2011 Options are subject to the terms and conditions described in Sections 8.6 and 8.7 of this Prospectus.

1.4 Acceptance of Entitlement to New Shares (and 2011 Options)

The number of New Shares (and 2011 Options) to which each Eligible Shareholder is entitled is shown on the personalised bar-coded Entitlement and Acceptance Form accompanying this Prospectus. Eligible Shareholders can also subscribe under the Offer for New Shares in excess of their Entitlement. However, no Eligible Shareholder is assured of being allocated any New Shares and 2011 Options in excess of their Entitlement.

Fractional Entitlements will be rounded down to the nearest whole number of New Shares (and 2011 Options).

Entitlements to New Shares (and 2011 Options) can be accepted by completing and returning the Entitlement and Acceptance Form in accordance with the instructions set out below and on the Entitlement and Acceptance Form.

Details regarding applications for Additional New Shares (and 2011 Options) are also contained within the Entitlement and Acceptance Form. The relevant part should be completed if you intend to apply for such Additional New Shares (and 2011 Options).

The Offer is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of his, her, or its Entitlement.

1.5 Purpose of the Issue

The purpose of the Offer is to raise approximately \$8.167 million. The Directors intend to apply the proceeds from the Issue for the following purposes:

Copper Hill feasibility study	\$5,800,000
Other working capital	\$2,200,000
Underwriter's fees	\$nil
Printing and mail outs	\$30,000
Quotation fees	\$42,000
Other costs of the Offer, including professional fees and bank charges	<u>\$95,000</u>
Total	\$8,167,000

The amounts referred to above are indicative only and are estimates based on Golden Cross' intentions at the date of the Offer. If circumstances change or other opportunities arise, the Directors reserve the right to vary the proposed use to maximise the benefit to Shareholders.

1.6 Underwriting

By an agreement dated 15 January 2010, Yu Jin Investment Co. Pte Ltd (the Underwriter) agreed to underwrite the Offer to the extent the Company was unable to secure other underwriters. Golden Cross subsequently sought an underwriter unrelated to the Company to underwrite all or part of the issue but was unable to obtain such underwriting.

The Underwriter is a company controlled by Mr Xiaoming Li, a director of Golden Cross. The Underwriter is also associated with Dr Hui Xiao, and Ms Xun Qiu, each of whom is a director of Golden Cross.

The Underwriter is a related party of HQ Mining Resources Holding Pty Ltd (HQ), which currently owns 24.53% of the Shares of Golden Cross. Mr Li is a director and majority shareholder of Prime Luck Far East Limited, the parent company of HQ. Dr Xiao is a director and substantial shareholder of Prime Luck Far East Limited and is a director and substantial shareholder of HQ. Ms Qiu is a director of HQ.

In the event of a Shortfall in subscription for this Offer by Eligible Shareholders, Eligible Shareholders applying for Additional New Shares will have priority to those New Shares and 2011 Options ahead of the Underwriter. In the event there is still a Shortfall, the remaining New Shares (and 2011 Options) will be taken up by the Underwriter.

HQ presently holds 222,560,976 Shares and is therefore entitled to subscribe for 111,280,488 New Shares (and 2011 Options). HQ has said it will take up its Entitlement and not apply for any Additional Shares.

There is no fee payable by Golden Cross to the Underwriter for its role as Underwriter. The parties bear their own costs in connection with the Offer.

Golden Cross has given warranties and covenants to the Underwriter usual in agreements of this nature. The Underwriter may, subject to the underwriting agreement and without prejudice to any other remedy available to it at any time prior to the Closing Date, by notice to Golden Cross and without cost or liability to the Underwriter, terminate its obligations under the agreement if any one or more of the following events occurs:

- (a) the All Ordinaries Index of the ASX falls below at close of trading on any Business Day a level that is lower than ninety percent of the level at the close of trading on 15 January 2010 (being ninety percent of 4,930, or 4,437);
- (b) a takeover bid is announced or made for Golden Cross under Chapter 6 of the *Corporations Act*;
- (c) Golden Cross defaults in a material respect in the performance of any of its obligations under the underwriting agreement or any of the undertakings, representations and warranties on the part of Golden Cross contained in that agreement or any information supplied by Golden Cross or a Related Body Corporate or any person on their behalf to the Underwriter or its officers, employees, agents or advisers in respect of the Offer ceases to be, or is found not to have been, true and correct in all material respects;
- (d) the outbreak or escalation of hostilities (whether or not war is declared) involving any one of more of the following countries - the Commonwealth of Australia, the United Kingdom, the United States of America, the Republic of Indonesia, the Russian Federation, the People's Republic of China, Japan, Singapore, New Zealand or any country in which Golden Cross carries on business, excluding any hostilities, military action, fighting, combat or peacekeeping action in relation to

- Afghanistan, Iraq, the Taliban or the offensive against Osama Bin Laden and Al Quaeda;
- (e) the ASIC gives notice of intent to hold a hearing in relation to the Offer or this Prospectus or makes an application for an order under section 1324B of the *Corporations Act* in relation to this Prospectus, and that application has not been dismissed or withdrawn on or before the date three days after the Closing Date;
 - (f) any person (other than the Underwriter) who has previously consented to the inclusion of its name in this Prospectus withdraws such consent;
 - (g) any of the following occurs which does or is likely to prohibit or to restrict the Offer:
 - (i) the introduction of legislation into the parliament of the Commonwealth of Australia or any State or Territory of Australia; or
 - (ii) the public announcement of prospective legislation or policy by the Federal Government or the Government of any State or Territory; or
 - (iii) the adoption by the ASIC or the Reserve Bank of Australia of any regulations or policy;
 - (h) Golden Cross or any Related Body Corporate fails to comply with a material provision of its constitution, any statute, the Listing Rules, a requirement, order or request, made by or on behalf of the ASIC, the ASX or any governmental agency, or a material term of any material agreement entered into by it;
 - (i) a charge over all or any of the assets of Golden Cross or of any Related Body Corporate is created or comes into existence without the prior approval of the Underwriter (such approval not to be unreasonably withheld in the case of a charge granted in the ordinary course of business) or otherwise than in accordance with this Prospectus;
 - (j) a person who is a director of Golden Cross at the date of this Prospectus is removed from office or resigns as a director of Golden Cross is charged with an indictable offence, goes bankrupt or is otherwise required to vacate office as a director of Golden Cross under Part 2D.6 of Chapter 2D of the *Corporations Act*;
 - (k) any material contract to which Golden Cross or a Related Body Corporate of Golden Cross is a party, is terminated (whether by breach or otherwise), rescinded, materially altered or amended, or an event occurs which would entitle any party to such a contract to terminate or rescind that contract;
 - (l) any information supplied by or on behalf of Golden Cross to the Underwriter or any of its respective officers, employees, agents or advisers in relation to the Offer or this Prospectus is or becomes false or misleading;
 - (m) Golden Cross is or becomes Insolvent;
 - (n) Golden Cross enters into an agreement for the sale or other disposition of a substantial asset (as that term is defined in the Listing Rules); or
 - (o) there is a material adverse negative change in the financial performance of Golden Cross or a material adverse negative change in the net tangible assets of Golden Cross.

1.7 Share Market Trading

The latest available market sale price of the Company's shares on ASX on the day immediately before the announcement of the terms of the Entitlements Offer was 2.1 cents, on Monday 15 March 2010. The five day Volume Weighted Average Share Price (VWAP) to that date was 2.026 cents (rounded to three decimal places).

The highest and lowest recorded sale prices of the Shares during the twelve months immediately preceding the announcement of this Offer and the respective dates of those sales were:

Highest price: 3.8 cents	Date: 1 September 2009
Lowest price: 1.0 cents	Date: 8 April 2009

The highest and lowest recorded sale prices of the Shares during the three months immediately preceding the announcement of this Offer and the respective dates of those sales were:

Highest price: 3.3 cents	Date: 19 January 2010
Lowest price: 1.9 cents	Date: 14 December 2009

1.8 No issue of New Shares or 2011 Options after the Prospectus Expiry Date

No New Shares or 2011 Options will be issued on the basis of this Prospectus later than the Prospectus Expiry Date, being thirteen months after the date of this Prospectus.

1.9 Dividend Policy

As the Company is an exploration company the Directors have not considered it necessary to formulate a dividend policy. A dividend policy will become appropriate in the event of the development of a cash flow that leads to trading profits.

1.10 Acknowledgment and Privacy Statement

By returning an Entitlement and Acceptance Form, each Eligible Shareholder acknowledges that he or she has received and read this Prospectus. The information about Eligible Shareholders included on an Entitlement and Acceptance Form is used for the purposes of processing the Entitlement and Acceptance Form and to administer the Shareholder's holding of Shares and 2011 Options. If an Eligible Shareholder does not provide the information required on the Entitlement and Acceptance Form, the Company may not be able to accept or process the Entitlement and Acceptance Form.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act*, the *Corporations Act*, and certain rules such as the ASTC Settlement Rules. By submitting an Entitlement and Acceptance Form, each Eligible Shareholder agrees that the Company may use the information provided by the Shareholder on the Entitlement and Acceptance Form for the purposes set out in this privacy statement and may disclose it for those purposes to the Share Registry and the Company's related bodies corporate, agents and contractors and third party service providers, including mailing houses and professional advisers, and to ASX and other regulatory authorities.

The *Corporations Act* requires the Company to include information about each Shareholder (including name, address and details of the Shares held) in its public register. The information contained in the Company's public register must remain there even if that person ceases to be a Shareholder. Information contained in the Company's register is also used to facilitate payments and corporate communications (including the Company's financial results, annual reports and other information that the Company wishes to communicate to its security holders) and compliance by the Company with legal and regulatory requirements.

Shareholders have a right to gain access to information that the Company holds about that person, subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

1.11 Taxation

The Board considers that it is not appropriate to provide advice regarding the taxation consequences of subscribing for New Shares under this Prospectus.

Shareholders should be aware that there may be taxation implications in being issued with the New Shares or 2011 Options and on exercise of the 2011 Options. These implications will vary depending on the circumstances of each individual investor, the particular circumstances relating to his or her holding of securities and the taxation laws applicable to investors as residents of different jurisdictions. Shareholders should consult their professional tax adviser to obtain taxation advice relevant to their personal circumstances.

2 DETAILS OF THE OFFER

2.1 Offer to Shareholders

The Golden Cross Directors have approved a non-renounceable rights issue of up to 453,732,034 New Shares at 1.8 cents per New Share (together with up to 453,732,034 free 2011 Options to subscribe for Shares at 4 cents each, exercisable on or before 31 March 2011) to raise up to \$8.167 million (before expenses associated with the Issue).

Shareholders are entitled to subscribe for one (1) New Share and one (1) 2011 Option for every two (2) Shares they hold. Only those Shareholders who have registered addresses in Australia or New Zealand and who are registered holders of the Shares on the Record Date, being 7.00pm (Sydney Time) on Wednesday 24 March 2010 (referred to in this Prospectus as an "Eligible Shareholder"), will be entitled to participate in the Offer. When fractions arise in the calculation of Entitlements, they will be rounded down to the nearest whole number of New Shares (and 2011 Options).

Golden Cross has applied to the ASX for Official Quotation of the New Shares and 2011 Options. Golden Cross expects Official Quotation of the New Shares (and 2011 Options) to occur on or about 13 April 2010.

2.2 Important Dates

Record Date for determining Entitlements for the Offer	Wednesday 24 March 2010 (7.00pm Sydney time)
Opening Date: Prospectus and Entitlement and Acceptance Form despatched to Eligible Shareholders	Thursday 25 March 2010
Closing Date	Monday 12 April 2010 (5.00pm Sydney time)
Securities quoted on a deferred settlement basis	Tuesday 13 April 2010
Despatch Date and mail out of holding statements	Tuesday 20 April 2010

2.3 What to do with your Entitlement

Only Eligible Shareholders registered as holders of Shares at 7.00pm (Sydney time) on the Record Date with registered addresses in Australia and New Zealand may participate in the Offer. For further information please refer to in the section titled "Shareholders Outside Australia and New Zealand" of this Prospectus.

The number of New Shares (and 2011 Options) to which you are entitled under this Prospectus is shown on the accompanying Entitlement and Acceptance Form. You may accept for a lesser number of New Shares (and 2011 Options) should you wish to take up only part of your Entitlement, except that if you have an Entitlement of less than 5,556 New Shares (and 2011 Options) and be required to make a payment of less than \$100 for your Entitlement you may only accept for the full amount of your Entitlement and not less. If you have an Entitlement to 5,556 or more New Shares (and 2011 Options), then the minimum subscription is 5,556 or more New Shares (and 2011 Options), being a minimum subscription amount of \$100.

Additional New Shares (and 2011 Options) may be applied for in lots of 100,000 New Shares (and 2011 Options). Acceptance by the Company for Additional New Shares (and 2011 Options) will be in accordance with the time of receipt of the forms at the Share Registry, on a first come, first served basis. If you do not receive any Additional New Shares (and 2011 Options) your Application Monies in respect of those securities that were not allocated to you will be returned to you without interest.

2.4 No Rights Trading

The rights to New Shares (and 2011 Options) under the Offer are non-renounceable. Accordingly, there will be no trading of rights on the ASX. You may not dispose of your rights to subscribe for New Shares (and 2011 Options) under the Offer to any other party. If you do not take up your Entitlement to New Shares (and 2011 Options) under the Offer by the Closing Date, the Offer to you will lapse.

2.5 If your Entitlement is not taken up

If you do nothing, any part of your Entitlement that is not taken up by other Eligible Shareholders under their application for Additional New Shares (and 2011 Options) will form part of the Shortfall that will be subscribed for by the Underwriter. Section 3.3 sets out details of possible impacts upon control of the Company.

2.6 Payment

The number of New Shares (and 2011 Options) to which each Eligible Shareholder is entitled is shown on the personalised bar-coded Entitlement and Acceptance Form which accompanies this Prospectus. Eligible Shareholders can accept Entitlements to New Shares (and 2011 Options) by completing and returning the Entitlement and Acceptance Form in accordance with the instructions set out in this Prospectus (refer above) and on the Entitlement and Acceptance Form and forwarding the completed Entitlement and Acceptance Form.

Return of the completed Entitlement and Acceptance Form must be accompanied by your cheque or bank draft for the full amount payable so as to reach the Share Registry by no later than 5.00pm (Sydney Time) on the Closing Date. Payments may also be made by BPAY or credit card (MasterCard or Visa Card) in accordance with the instructions on the Entitlement and Acceptance Form. If you elect to pay by BPAY or credit card you must still complete the Entitlement and Acceptance Form and return it to the Share Registry. Payments may be rounded down to the nearest cent.

If you have an Entitlement to less than 5,556 New Shares (and 2011 Options) and required to make a payment of less than \$100 for your Entitlement, you may only accept the full amount of your Entitlement and not less. If you have an Entitlement to 5,556 or more New Shares (and 2011 Options), then the minimum subscription is 5,556 or more New Shares (and 2011 Options), being a minimum subscription amount of \$100, rounded down to the nearest cent.

Additional New Shares (and 2011 Options) may be applied for in lots of 100,000 New Shares (and 2011 Options). Applications for Additional New Shares (and 2011 Options) shall be dealt with on a first come first served basis.

The Issue Price of 1.8 cents per New Share (and free 2011 Option) is payable in full on acceptance of part of all of your Entitlement. If you elect to apply for Additional New Shares (and 2011 Options) the amount payable for any Additional New Shares subscribed for should also be included as part of your Application Monies.

Cheques should be in Australian currency and made payable to Golden Cross Resources Ltd and crossed "not negotiable". Completed forms and accompanying cheques should be lodged at or forwarded to the address stated on the form.

The amount payable on acceptance will not vary during the period of the Offer and no further amount is payable on allotment. Acceptance Monies will be held in trust in a subscription account until allotment of the New Shares (and 2011 Options). Any interest earned on the Acceptance Monies will be retained by Golden Cross irrespective of whether allotment takes place.

2.7 Brokerage, stamp duty and handling fees

Golden Cross will not pay any handling fees to the ASX participating organisations in connection with the Offer. No brokerage or stamp duty is payable by Applicants in respect of their applications for New Shares (and 2011 Options) under this Prospectus. However, you may have to pay brokerage on any subsequent trading of your New Shares (and 2011 Options) on the ASX after they have been quoted on the ASX.

2.8 Allotment and Allocation Policy

Golden Cross will allot New Shares (and 2011 Options) as soon as possible after the Closing Date. Successful Applicants will be notified in writing of the number of New Shares (and 2011 Options) allocated to them as soon as possible following the allotment being made.

If there is a Shortfall after subscription by Eligible Shareholders for their Entitlements and Additional New Shares (and 2011 Options) under this Prospectus, the Directors reserve the right to issue the Shortfall under the terms of the Underwriting Agreement or thereafter at their discretion within three months of the close of the Offer at any issue price not less than that at which such New Shares (and 2011 Options) were offered to Eligible Shareholders under this Offer.

In addition, the Directors reserve their right to reject any Entitlement and Acceptance Form which is not complete in any particular or the processing of which would result in a contravention of any relevant law. Such law includes, without limitation, any contravention of the takeover provisions set out in the *Corporations Act*.

It is the responsibility of Applicants to confirm the number of New Shares (and 2011 Options) allocated to them prior to trading New Shares (and 2011 Options). Applicants who sell New Shares (and 2011 Options) before they receive notice of the number of securities allocated to them do so at their own risk. No New Shares (and 2011 Options) will be allotted or issued on the basis of this Prospectus later than 13 months after the date of issue of this Prospectus.

2.9 ASX Listing

Golden Cross has applied for Official Quotation of the New Shares and 2011 Options on the ASX. If granted, quotation and trading of the New Shares and 2011 Options will commence as soon as practicable after allotment. If the New Shares and 2011 Options are not admitted to Official Quotation within three months after the date of this Prospectus (or such longer period as permitted by ASIC), all issues of New Options will be void and Golden Cross will return all Application Monies received without interest.

The fact that ASX may grant Official Quotation of the New Shares and 2011 Options is not to be taken in any way as an indication of the merits of Golden Cross or the securities being offered under this Prospectus.

2.10 Risk Factors

Investors should carefully read the Risk Factors outline in Section 4. An investment in Golden Cross involves a number of risks, some of which are specific to Golden Cross and the industry in which it operates.

2.11 CHESS

Golden Cross will apply to the ASX Settlement and Transfer Corporation Pty Ltd (ASTC) to have the New Shares (and 2011 Options) issued under this Prospectus participate in the Securities Clearing House Electronic Sub-register System known as CHESS. After allotment of the New Shares (and 2011 Options), those who are issuer sponsored holders will receive an issuer sponsored statement and those who CHESS holders will receive an allotment advice.

The CHESS statements, which are similar in style to bank account statements, will set out the number of New Shares (and 2011 Options) allotted to each successful Applicant under this Prospectus. The statement will also advise holders of their holder identification number. Further statements will be provided to holders which reflect any changes in their holding in Golden Cross during a particular month.

2.12 Option holders

Existing Option holders will not be entitled to participate in the Offer unless they:

- a) have become entitled to exercise their Existing Options under the terms of their issue and do so prior to the Record Date; and
- b) participate in the Offer as a result of being an Eligible Shareholder.

Due to the current Golden Cross share price being well below the exercise price of the Existing Options currently on issue, it is unlikely that any Existing Option holders will elect to exercise their Existing Options before the Record Date.

3 EFFECT OF OFFER ON THE COMPANY

3.1 Principal Effects

Assuming the Offer is fully subscribed, the principal effects are as follows:

- (a) Golden Cross will issue 453,732,034 New Shares (excluding any Shares that may be issued as a result of the exercise of any Existing Options before the Record Date) and the total number of Shares on issue will increase to up to 1,361,196,102 Shares. The New Shares will constitute approximately one-third of the increased number of issued Shares.
- (b) Golden Cross will issue 453,732,034 2011 Options with an exercise price of 4 cents each and an expiry date of 31 March 2011. They will be the only listed options on issue by Golden Cross.
- (c) The Offer will also increase Golden Cross' cash reserves by up to approximately \$8 million (after expenses of the Offer) to enable Golden Cross to commence a feasibility study in respect of its copper and gold deposits at Copper Hill, New South Wales as well as carrying out other business and exploration programmes.

3.2 Capital Structure on Completion of the Issue of New Shares and 2011 Options

The pro-forma capital structure of Golden Cross following the completion of the Offer is set out below:

Shares	Number
Shares on issue	907,464,068
Maximum number of New Shares to be issued under this Offer (assuming no Existing Options are exercised)	453,732,034
Total Shares on issue after the Offer	1,361,196,102
Total 2011 Options on issue after the Offer	453,732,034

3.3 Effects of Offer on Control of Golden Cross

The effect of the Offer on the control of Golden Cross cannot be determined at this time because it cannot be known with certainty which Shareholders will take up their Entitlements. Depending on which Shareholders take up their Entitlements, and the distribution of the Shortfall by the Underwriter the ability of certain Shareholders to control Golden Cross through their voting rights as Shareholders may change.

The Underwriter is a Singapore registered company controlled by Mr Xiaoming Li, a director of Golden Cross and a director and the majority shareholder of Prime Luck Far East Limited, the parent company of HQ Mining Resources Holding Pty Ltd (HQ). HQ currently holds 24.53% of the issued capital of Golden Cross. Mr Li is a director and majority shareholder of HQ. Dr Xiao is a director and substantial shareholder of Prime Luck Far East Limited and is a director and substantial shareholder of HQ. Ms Qiu is a director of HQ.

If all the Eligible Shareholders take up their Entitlements under the Offer in full then the Offer will have no significant effect on the control of Golden Cross. The relevant interest of Mr Xiaoming Li, HQ, and the Underwriter in Golden Cross will remain 24.53%.

If particular Eligible Shareholders do not take up all their Entitlements under the Offer, then their percentage shareholding interests will be diluted. The percentage shareholding interests of Shareholders with registered addresses outside Australia and New Zealand will be diluted because those Shareholders are not entitled to participate in the Offer. If particular Eligible Shareholders apply for and receive Additional New Shares (and 2011 Options) then their percentage shareholding interests will increase.

If Eligible Shareholders do not take up their Entitlements under the Offer then any Shortfall after the issue of Additional New Shares (and 2011 Options) to Eligible Shareholders will be offered to the Underwriter pursuant to the Underwriting Agreement. If no Eligible Shareholder takes up his, her, or its Entitlement, then all 453,732,034 New Shares and all 453,732,034 of the new 2011 Options will be issued to the Underwriter. The relevant interest of Mr Xiaoming Li, HQ, and the Underwriter in Golden Cross will increase from 24.53% to 49.68% and they would have effective control of the Company.

A change in control could involve changes in the strategic direction and focus of the Company although the composition of the Board and appointment of the Chairman remain governed by the Subscription Agreement between Golden Cross and HQ dated 22 September 2008. That agreement entitled HQ to nominate three of the six directors of Golden Cross but the chairman is to be independent of HQ. The Underwriter was not party to that agreement.

Relevant matters that may determine the effects of the Offer on control of the Company include:

- (i) The percentage of issued share capital held by the twenty largest Shareholders in Golden Cross.
- (ii) The number and identity of large Shareholders who take up their Entitlements or apply for Additional New Shares.
- (iii) The fact that New Shares issued under this Offer will comprise up to one-third of the issued share capital of Golden Cross after completion of the Issue.
- (iv) The fact that if all the 2011 Options issued under this Offer are exercised then those shares will comprise up to one-quarter of the issued share capital of Golden Cross after exercise.
- (v) The number of New Shares (and 2011 Options) taken up or placed by the Underwriter and the people and entities to whom such shares are allotted.

4 RISK FACTORS

4.1 Introduction

The activities of Golden Cross are subject to risks associated with an investment in shares quoted by ASX as well as a number of specific risk factors, both specific to Golden Cross and of a general nature which may impact on its future performance. Golden Cross has appropriate actions, systems and safeguards for known risks but some are outside its control. The principal risk factors are described below.

Eligible Shareholders should carefully consider the risks and uncertainties set out below and the information contained elsewhere in this Prospectus before you decide whether to accept the Offer of New Shares (and 2011 Options). Golden Cross emphasises that the risk factors set out in this Section may not be the only risk factors that could affect the operations of Golden Cross, its financial position, and the value of its securities.

4.2 General Risks

An investment in New Shares (and 2011 Options) should be considered speculative due to a range of factors. The conduct and management of business operations involve many risks, which even a combination of experience knowledge and careful evaluation may not be able to overcome. There can be no assurance that the business objectives of Golden Cross will be achieved. In particular, there can be no assurance as to the results of the feasibility study in respect of Golden Cross' interests at Copper Hill, New South Wales.

The New Shares do not carry any guarantee with respect to market value or the payments of dividends or return of capital. The 2011 Options do not carry any guarantee with respect to market value and will have no rights to payments of dividends or return of capital. As the holding of securities involves certain risks, anyone in doubt as to the course he or she should follow should consult a stockbroker, solicitor, accountant, or other professional advisor.

a) Share Price Fluctuations

There are risks associated with any stock market investment. Share and option prices may rise or fall and the price of securities might trade below or above an issue price. Factors which may affect the market price of securities generally include:

- Movements in Australian and other stock markets;

- Investor sentiment;
- Australian and international economic conditions and outlook;
- Changes in interest rates and rate of inflation; and
- Changes to government regulation and policies.

b) General Economic Conditions

Changes in global economic conditions (including changes in interest rates, inflation, foreign exchange rates, oil and labour costs) as well as general trends in the Australian and overseas equity markets may affect Golden Cross operations and the trading price of its securities on the ASX.

c) Government Policy and Taxation

Changes in relevant taxation laws, interest rates, other legal, legislative and administrative regimes, and government policies in Australia, may have an adverse affect on the assets, operations and ultimately the financial performance of Golden Cross. They may thus have an adverse effect on the market price of its securities on the ASX.

d) Other

Other risk factors include those normally found in conducting business. These include litigation resulting from the breach of agreements or in relation to employees or contractors (through personal injuries, industrial matters or otherwise) or any other cause including strikes, loss of service of key management or operational personnel, non-insurable risks, delay in resumption of activities after reinstatement following the occurrence of an insurable risk and other matters that may interfere with the business or trade of Golden Cross.

4.3 Specific Business Risks

An analysis of some of the specific business risks facing Golden Cross is provided below. The following is not an exhaustive summary, but points to some of the risks that are specific to Golden Cross. Any one or a combination of such risks could affect Golden Cross and thus the value of any investment in Golden Cross.

(a) Management actions

The Directors of Golden Cross will, to the best of their knowledge, experience and ability (in conjunction with management), endeavour to anticipate, identify and manage the risks inherent in the activities of Golden Cross, but without assuming any personal liability for same. Their aim will be, insofar as it is commercially prudent, eliminating, avoiding and mitigating the impact of risks on the performance of Golden Cross and its securities.

(b) Additional Funding

The future development of Golden Cross may require additional funds to be raised. In particular, the expansion of exploration activities including assessments of mining options and metallurgical studies and analyses may require substantial additional funding. Any development of the Copper Hill site in New South Wales after completion of the feasibility study would require considerable additional funding.

The timing and amount of the future capital requirements will depend on many factors. There is no guarantee that Golden Cross will be able to raise the capital required, or that the terms of

any additional funding when needed, Golden Cross may be forced to delay or eliminate its future development activities, sell existing assets or reduce its operations.

c) Contractual Risks

Golden Cross must fulfil the terms and conditions of its existing contracts and management agreements. In the event that Golden Cross fails to perform its obligations or breaches any of the terms and conditions of such agreements, Golden Cross Resources may suffer loss and expose itself to legal action. Further, under the terms of the various contracts to which Golden Cross or its subsidiaries are a party, there are certain rights for the other contracting parties to terminate the contracts. The performance of Golden Cross depends on the ability of Golden Cross to preserve its contractual arrangements and any failure to do so may have material adverse impact on Golden Cross operations and its financial position.

d) Reliance on Key Management

The responsibility of overseeing the day-to-day operations and the strategic management of Golden Cross Resources is concentrated in a small management team. There can be no assurances that there will no detrimental impact on Golden Cross if one or a number of those executives cease their employment.

e) Commodity Price Risks

Golden Cross has a specific risk associated with the market price for the commodities for which the Company explores. As regards the Copper Hill resource, these commodities are particularly gold and copper.

f) Exploration Risks

The Company may face unforeseen costs associated with environmental issues, native title, aboriginal heritage, and security of mineral titles.

g) Growth

The Golden Cross directors can give no assurance of Golden Cross' ability to grow.

4.4 2011 Options.

As the market price of the 2011 Options is affected by the price of the Shares, the same factors that affect the price of the Shares will affect the price of the 2011 Options.

5. GOVERNING LAW

The Entitlement Offer, this Prospectus and the contracts formed on acceptance of the Entitlement and Acceptance Forms are governed by the laws applicable in the State of New South Wales and the Commonwealth of Australia. Each applicant for New Shares, 2011 Options and Additional New Shares submits to the non-exclusive jurisdiction of the courts of New South Wales and the Commonwealth of Australia.

6. INFORMATION AVAILABLE

6.1 Continuous Disclosure

The Company is a "disclosing entity" for the purposes of section 111AC of the *Corporations Act*. As such, it is subject to regular reporting and disclosure obligations that require it to disclose to ASX any information that it is or becomes aware concerning the Company that a reasonable person would expect to have a material effect on the price or value of the securities of the Company.

This Prospectus is a “transaction specific prospectus”. In general terms “transaction specific prospectuses” are only required to contain information in relation to the effect of the issue of securities on the Company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to the ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Disclosing entities are, pursuant to the *Corporations Act*, required to issue a prospectus satisfying the test set out in section 713 of the *Corporations Act* where the securities offered by the prospectus are quoted securities and the securities are in a class of securities that were quoted securities at all times in the twelve months before the issue of the prospectus. ASIC Class Order 00/195 allows a company to offer securities that are convertible into continuously quoted securities by way of a short form prospectus under section 713 of the *Corporations Act*. The 2011 Options offered under this Prospectus are convertible into ordinary fully paid Golden Cross shares, which are continuously quoted securities.

The Company believes that it has complied with the general and specific requirements of ASX (as applicable from time to time throughout the twelve months prior to the issue of this Prospectus) which require the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX, and thereby keep the market fully informed.

The New Shares offered by this Prospectus are considered to be in a class of securities that have been enhanced disclosure securities at all times during the twelve months prior to the issue of this Prospectus.

Copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an office of ASIC. Information that is already in the public domain has not been reported in this Prospectus other than that information which is considered necessary to make this Prospectus complete.

6.2 Annual Report

The Golden Cross 2009 Annual Report was lodged with the ASX on 19 October 2009. The Annual Report contains a review of the operations of Golden Cross Resources, the Directors' report, remuneration report, corporate governance statement, financial report and an independent audit report by Ernst & Young for the financial year ended 30 June 2009.

A copy of the Annual Report is available to Shareholders free of charge by calling the Company on +612 9472 3500 or emailing info@goldencross.com.au. Alternatively, the 2009 Annual Report is available on the Company's website at www.goldencross.com.au.

6.3 Recent Announcements

For details of documents lodged with ASX since the date of lodgement of the Company's 2009 audited financial statements, refer to the table below. The Company will provide free of charge to any person who requests it prior to the Closing Date, a copy of any continuous disclosure notice given during the period starting after the lodgement with the ASIC of the Annual Report and ending before the date of this Prospectus.

Table of Announcements lodged with ASX from the lodgement of the 2009 audited financial statements until the announcement of the Offer

Date Lodged	Notice
15/03/2010	Half Year Financial Report
05/03/2010	Copper Hill March Update
08/02/2010	ARD: Highest recorded silver grades at Kempfield
29/01/2010	GCR Quarterly Report
28/01/2010	Appendix 5B
19/01/2010	GCR signs memorandum - CUMIC confirms financial backing
03/12/2009	GCR Exploration Update
20/11/2009	Results of Meeting
20/11/2009	MD Presentation from AGM
12/11/2009	MMG Australia farms-in to Gilgunnia Range at Rast
04/11/2009	Amendment of announcement - date error
04/11/2009	Copper Hill - Setting the Track to Production
22/10/2009	GCR Quarterly Activities Report
21/10/2009	Appendix 5B
19/10/2009	Annual Report to shareholders
12/10/2009	Notice of Annual General Meeting/Proxy Form
09/10/2009	Appendix 3B
09/10/2009	Results of Meeting

ASX maintains files containing publicly available information for all listed companies. Golden Cross' file is available for inspection at ASX during normal office hours. The announcements are also available through the Company's website www.goldencross.com.au.

6.4 Electronic Prospectus, Website

A copy of this Prospectus excluding the Entitlement and Acceptance Form may be accessed and downloaded for general information purposes only from the Company's website at www.goldencross.com.au. Any person accessing a version of this Prospectus for the purpose of making an investment in the Company must be an Australian or New Zealand resident and must only access this Prospectus from within Australia or New Zealand.

The *Corporations Act* prohibits any person passing onto another person an Entitlement and Acceptance Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. If Eligible Shareholders wish to obtain another copy of this Prospectus or a personalised bar-coded Entitlement and Acceptance Form, please contact the Share Registry on (02) 9279 0677.

6.5 Enquiries Regarding Prospectus

If a Shareholder has any questions regarding this Prospectus, please contact Kim Stanton-Cook, Managing Director on +612 9472 3500 or at kim.stantoncook@goldencross.com.au or

Simon Lennon, Company Secretary, General Counsel, and CFO on +612 9472 3500 or at simon.lennon@goldencross.com.au.

7. FINANCIAL EFFECT OF THE OFFERS

The effect of the Offer on the unaudited Statement of Financial Position of the Company as at 31 December 2009, is shown in the pro-forma post-issue Statement of Financial Position set out on the following page based on the assumptions that:

- (a) The Offer was effective as at that date.
- (b) Existing Option holders do not exercise their Existing Options before the Record Date.
- (c) All entitlements to New Shares and 2011 Options under the Offer are taken up.
- (d) Exactly \$8,000,000 is raised (after deduction of the expenses of the Offer).

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

	Consolidated 31 December 2009 \$'000	Consolidated Pro Forma 31 December 2009 \$'000
ASSETS		
Current Assets		
Cash Assets	2,448	10,448
Trade and other receivables	1,445	1,445
Prepayments	28	28
Available for sale investments	1,378	1,378
Total Current Assets	5,299	13,299
Non-Current Assets		
Property, Plant and Equipment	124	124
Exploration and Evaluation Expenditure	21,851	21,851
Total Non-Current Assets	21,975	21,975
Total Assets	27,274	35,274
LIABILITIES		
Current Liabilities		
Payables	367	367
Provisions	97	97
Total Current Liabilities	464	464
Non-Current Liabilities		
Provisions	51	51
Total Non-Current Liabilities	51	51
Total Liabilities	515	515
Net Assets	26,759	34,759
EQUITY		
Issued Capital	47,099	55,099
Reserves	1,635	1,635
Accumulated Losses	(21,975)	(21,975)
TOTAL EQUITY	26,759	34,759

8. ADDITIONAL INFORMATION

8.1 Interests of Directors

Except as disclosed in this Prospectus, no Director (whether individually or in consequence of a Director's association with any company or firm or in any material contract entered into by the Company) has now, or has had, in the two year period ending on the date of this Prospectus, any interest in the formation or promotion of the Company, or property acquired or proposed to be acquired by the Company in connection with its formation or its promotion or the Offer; or the Offer.

Except as disclosed in this Prospectus, no amounts of any kind (whether in cash or securities or otherwise) have been paid or agreed to be paid to any Director or to any company or firm with which a Director is associated to induce him to become, or to qualify as, a Director, or otherwise for services rendered by him or any company or firm with which the Director is associated in connection with the formation or promotion of the Company or the Offer.

Directors' Share and Option Holdings

Directors' relevant interests in the share capital of the Company as at the date of this Prospectus are shown below:

Name	Ordinary Shares	Employee Options
Chris Torrey	553,334	1,000,000
Kim Stanton-Cook	200,000	5,000,000
David Timms	30,427,116	1,000,000
Daven Timms	2,000,000	1,500,000
Xun (Suzanne) Qiu	200,000	

Mr Xiaoming Li, Dr Hui (Steven) Xiao, and Ms Xun (Suzanne) Qiu also have relevant interests in the shareholding of HQ Mining Resources Holding Pty Ltd, amounting to 222,560,976 Shares.

The Directors will receive the same entitlement to the New Shares and Options as all other Shareholders under the Offer in respect of Shares in which they hold an interest. Directors and their associates are not eligible to apply for Additional New Shares (and 2011 Options).

Directors' Remuneration and Related Party Transactions

Details relating to the remuneration of Directors and related party transactions are set out in full in the Directors' Report and Notes to the Financial Statements in the 2009 Annual Report, which are available at www.goldencross.com.au or by calling the Company on +612 9472 3500. In addition, Resources Legal Pty Ltd (of which Daven Timms is a director and shareholder) was paid \$4,280 (plus GST) for legal services in relation to the preparation of this prospectus. The contract was based on normal commercial terms and conditions.

8.2 Interests of Named Parties

Except as disclosed in this Prospectus, no expert, or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of this Prospectus, nor any firm in which any of those persons is or was a partner nor any company in which any of those persons is or was associated with, has now, or has had, in the two year period ending on the date of this Prospectus, any interest in the formation or promotion of the Company, or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer.

Except as disclosed in this Prospectus, no amounts of any kind (whether in cash or shares or otherwise) have been paid or agreed to be paid to any expert, or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in

connection with the preparation or distribution of this Prospectus, or to any firm in which any of those persons is or was a partner or to any company in which any of those persons is or was associated with, for services rendered by that person in connection with the formation or promotion of the Company or offer of the securities.

Ernst & Young are the Auditors of the Company, appointed on 10 November 2004. The Company has expended \$235,319.90 (plus GST) for auditing services provided by Ernst & Young to the Company since their appointment.

China National Automation Control System Corp (CACS) has signed a Memorandum of Understanding with Golden Cross for the preparation of a feasibility study into the Copper Hill resource. Golden Cross expects to pay approximately \$5.8 million from the proceeds of the Offer to CACS for the preparation of that feasibility study. CACS is a subsidiary of Sinomach.

8.3 Consents

Mr Kim Stanton-Cook has consented to being named in this Prospectus as giving the Statement of JORC Compliance.

Sinomach and China National Automation Control System Corp (CACS) have consented to being named in this Prospectus in the form and context in which their names appear. Sinomach and CACS have had no involvement in the preparation of this Prospectus, have not authorised or caused the issue of the whole or any part of this Prospectus, and expressly disclaim and take no responsibility for any statements in or omissions from this Prospectus.

Yu Jin Investment Co. Pte Ltd has consented to being named in this Prospectus as the Underwriter to the Offer in the form and context in which its name appears. Yu Jin Investment Co. Pte Ltd has had no involvement in the preparation of this Prospectus, has not authorised or caused the issue of the whole or any part of this Prospectus, and expressly disclaims and takes no responsibility for any statements in or omissions from this Prospectus.

Ernst & Young has consented to being named in this Prospectus as auditors of Golden Cross for information purposes only and have not withdrawn their consent. Ernst & Young has had no involvement in the preparation of this Prospectus other than in relation to this paragraph, have not authorised or caused the issue of the whole or any part of this Prospectus, and expressly disclaim and take no responsibility for any statements in or omissions from this Prospectus.

Registries Limited has consented to being named in this Prospectus as the share registry of Golden Cross for information purposes only and has not withdrawn its consent. Registries Limited has had no involvement in the preparation of this Prospectus other than in relation to this paragraph and the appearance of its name in the Corporate Directory, has not authorised or caused the issue of the whole or any part of this Prospectus and expressly disclaims and takes no responsibility for any statements in or omissions from this Prospectus.

8.4 Memorandum of Understanding

Golden Cross and China National Automation Control System Corp (CACS) signed a Memorandum of Understanding dated 15 January 2010 in Beijing. The agreement obliged Golden Cross to provide all relevant information to CACS and to continue exploration at Copper Hill. Golden Cross also undertook to use its best endeavours to obtain all necessary permits and licences from relevant Governments for the Project. Golden Cross agreed to use its best endeavours to examine with a third party the benefits and synergies of jointly developing a roaster complex, acid recovery, solvent extraction electrowinning (SX-EW) copper and carbon-in-leach (CIL) gold recovery plant.

CACS undertook to commence a feasibility study into the Copper Hill resource commencing with an economic justification study setting out the objectives, costs, deliverables and timing estimates for the feasibility study. Preparing and finishing that feasibility study will be subject to that economic justification study and Golden Cross' approval. CACS would act as the Engineering Design, Procurement and Construction (EPC) Contractor for the Copper Hill Project, subject to development of a positive bankable feasibility study, and assist Golden Cross to obtain finance for the project.

8.5 Substantial Shareholders

As at the date of this Prospectus the following substantial shareholdings have been notified to the Company:

Shareholder Name	Shares Held	% of Issued Capital	Date
HQ (including Ms Xun Qiu's holding)	222,760,976	24.53%	9 October 2009

8.6 Rights Attaching To New Shares

New Shares issued under this Prospectus will rank equally in all respects with existing Shares. Full details of the rights attaching to Shares are set out in the Constitution, a copy of which can be inspected at the Company's registered office during normal business hours. A summary of the rights follows.

Voting rights. At a general meeting every shareholder present in person by proxy, attorney or representative has one vote on a show of hands and every shareholder present in person or by proxy, attorney or representative has one vote for each Share on a poll.

Dividends. Dividends are declared by the Directors at their discretion and subject to any special rights (at present there are none) are payable on all Shares in proportion to the amount of capital for the time being paid up or credited as paid up on those Shares.

Transfer of Shares. Generally, Shares are freely transferable. Where the Listing Rules or the law require the Company to do so, the Directors must decline to register a transfer.

Future increases in capital. The allotment or issue of any shares of the Company is under the control of the Directors who may, subject to the *Corporations Act* and the Listing Rules, allot or otherwise dispose of them on such conditions as they see fit.

Variation of rights. The rights and privileges attaching to Shares can be altered by special resolution of the shareholders. A special resolution is a resolution passed by a majority of not less than 75% of those present and voting.

Rights on winding up. In the event of a winding up of the Company, any surplus will be divided among the shareholders in the proportion that the amount paid up on the shares bears to the total amount paid up on all shares of the Company on issue. Surplus assets in kind may, with the sanction of a special resolution, be divided among shareholders in such proportion as the liquidator may determine.

8.7 Rights Attaching To 2011 Options

Each 2011 Option shall entitle the holder to subscribe for 1 Share in the capital of the Company. The 2011 Options will be issued on the following terms.

The 2011 Options shall expire on 31 March 2011 ("Expiry Date"). 2011 Options may be transferred at any time prior to the Expiry Date. 2011 Options may be exercised any ay time prior to the Expiry Date.

Each 2011 Option shall be exercisable at 4 cents per 2011 Option. 2011 Options may only be exercised by the registered holder for the time being by completing the Notice of Exercise of Option accompanying the option holder statement and forwarding it, together with payment of the exercise price, to be received by Registries at any time prior to the Expiry Date. The date of exercise of a 2011 Option will be the date on which the Notice of Exercise of the Option is received by the Share Registry. Cheques must be made payable to Golden Cross Resources Ltd and marked "not negotiable".

The Company has made application to have the 2011 Options listed for Official Quotation by the ASX. The Company must make applications to have Shares issued on the exercise of Options listed for Official Quotation by the ASX no later than 3 business days after the issue of the Shares.

In the event of any reorganisation of the issued capital of the Company, 2011 Options will be reorganised as required by ASX Listing Rules applying to a reorganisation of capital at the time of reorganisation. 2011 Options will not entitle the holders to participate in any new pro-rata issues that may be offered to shareholders during their currency. Prior to any pro rata issue, 2011 Option holders will be notified by Golden Cross and will be afforded at least 6 business days before the record date determining Entitlements to the issue to exercise those Options.

The Company will advise 2011 Option holders at least 20 business days before the Expiry Date of the impending expiry of the 2011 Options. The Company will provide the details required by the ASX Listing Rules to enable option holders to determine whether or not to exercise those 2011 Options.

8.8 Litigation

The Company is not involved in any legal or arbitration proceedings that may have a significant effect on the Company's financial position nor are any such proceedings pending or threatened against the Company or any of its subsidiaries.

8.9 Corporate Governance

The Company has adopted comprehensive corporate governance policies, available in the Corporate Governance section of its website at www.goldencross.com.au .

9. AUTHORITY OF DIRECTORS

Each of the Directors of Golden Cross has consented to the lodgement of this Prospectus with ASIC in accordance with Section 720 of the *Corporations Act*.

Dated 15 March 2010

Kim Stanton-Cook
Managing Director

10. DEFINITIONS AND GLOSSARY

Acceptance	An acceptance of the offer of New Shares (and 2011 Options) pursuant to this Prospectus.
Acceptance Monies	The Issue Price multiplied by the number of New Shares (and 2011 Options) accepted.
Additional New Shares (and 2011 Options)	New Shares and 2011 Options that a Shareholder may apply for above his, her, or its Entitlement under this Offer.
Applicant	An Eligible Shareholder who submits an Entitlement and Acceptance form.
ASX	ASX Limited or the Australian Securities Exchange, as the context requires.
Board	The board of directors of Golden Cross from time to time.
Closing Date	The date by which valid acceptances must be received by the Share Registry being 5.00pm (Sydney time) on Monday 12 April 2010 or such other date determined by the Board.
Company or Golden Cross	Golden Cross Resources Ltd ABN 65 063 075 178.
Corporations Act	<i>Corporations Act 2001</i> (Commonwealth, as amended).
Directors	The directors of Golden Cross from time to time.
Eligible Shareholders	Those Shareholders who have a registered address in Australia or New Zealand and who are registered as holders of Shares on the Record Date.
Entitlement	The entitlement to accept New Shares (and 2011 Options) under this Prospectus.
Entitlement and Acceptance Form	An entitlement or acceptance form in the form attached to this Prospectus.
Existing Option holders	The holders of Existing Options.
Existing Options	All existing Options currently on issue as at the date of this Prospectus, currently not listed on the ASX.
Expiry Date	The expiry date of the 2011 Options, being 31 March 2011.
HQ	HQ Mining Resources Holding Pty Ltd.
Ineligible Shareholder	A Shareholder whose registered address is not in Australia or New Zealand as at the Record Date.
Issue or Offer	The issue of New Shares (and 2011 Options) in accordance with

	this Prospectus.
Issue Price	1.8 cents for each New Share (and free attaching 2011 Option) for which application is made.
Listing Rules	The official listing rules of the ASX.
New Shares	Shares as provided for in this Prospectus.
Offer	The offer to apply for New Shares (and 2011 Options) as provided for in this Prospectus.
Official List	The official list of entities that ASX has admitted and not removed.
Official Quotation	Quotation on the Official List.
Opening Date	The date of commencement of the Offer of New Shares (and 2011 Options), namely Thursday 25 March 2010.
Options	Options to subscribe for shares on issue in Golden Cross.
Privacy Act	<i>Privacy Act 1988</i> (Commonwealth, as amended).
Prospectus	This Prospectus and any electronic copy of this document.
Prospectus Expiry Date	The date thirteen months after the date of this Prospectus.
Record Date	Wednesday 24 March 2010 at 7.00 pm (Sydney time).
Securities	The same meaning in section 92 of the <i>Corporations Act</i> .
Share Registry	Registries Limited ABN 14 003 209 836.
Shareholders	The holders of Shares from time to time.
Shares	Fully paid ordinary shares on issue in the capital of Golden Cross from time to time.
Shortfall	Those New Shares and 2011 Options for which successful valid applications have not been received by the Closing Date.
Sydney time	Australian Eastern Daylight (Summer) Time.
2011 Options	Options to subscribe for Shares in Golden Cross at an exercise price of 4 cents per Share and an expiry date of 31 March 2011, to be issued at nil consideration and on the terms set out in this Prospectus.
Underwriter	Yu Jin Investment Co. Pte Ltd, a Singapore company related to HQ Mining Resources Holding Pty Ltd (which holds 24.53% of the shares of Golden Cross) and associated with Mr Xiaoming Li, Dr Hui Xiao, and Ms Xun Qiu, each of whom is a director of Golden Cross.
Underwriting Agreement	The agreement between the Company and the Underwriter dated 15 January 2010 (as amended).

11. CORPORATE DIRECTORY

Board of Directors

Chris Torrey	Chairman
Kim Stanton-Cook	Managing Director
Xiaoming Li	Non Executive Director
Hui (Steven) Xiao	Director Business Development
Xun (Suzanne) Qiu	Non Executive Director
David Timms	Non Executive Director
Daven Timms	Alternate Director for David Timms

Company Secretary

Simon Lennon

Registered Office

Golden Cross Resources Ltd
22 Edgeworth David Avenue
Hornsby NSW 2077
Phone: +61 2 9472 3500
Fax: +61 2 9482 8488
www.goldencross.com.au

Share Registry

Registries Limited
Level 7, 207 Kent Street
Sydney NSW 2000
Phone: 1300 737 760 within Australia
or +61 2 9290 9600 outside Australia
Fax: +61 2 9279 0664

Please direct shareholding enquiries to the Share Registry.