

# **GOLDEN CROSS RESOURCES LTD**

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## **NOTICE OF 2012 ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN that the 2012 Annual General Meeting of the members of Golden Cross Resources Ltd (the **Company**) will be held at History House, 133 Macquarie St, Sydney, NSW at 4.00 pm on Thursday 15 November 2012 for the following business:

### **1. Financial Report**

To receive and consider the Financial Report of the Company and the reports of the Directors and Auditor for the year ended 30 June 2012.

### **2. Election of Mr Stephen Gemell as a Director**

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

*“To elect as a Director of the Company Mr Stephen Gemell, being a Director appointed by Directors since the last annual general meeting of the Company and retiring in accordance with Rule 16.4 of the Company’s Constitution, and who offers himself for election.”*

### **3. Re-election of Mr David Timms as a Director**

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

*“To re-elect as a Director of the Company Mr David Timms, being a Director retiring by rotation in accordance with Rule 17.2 of the Company’s Constitution, and who offers himself for re-election.”*

### **4. Remuneration Report**

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

*“To adopt the Remuneration Report for the year ended 30 June 2012.”*

### **5. Additional Share Placement Capacity**

To consider and, if thought fit, pass as a special resolution:

*“To give the Company, pursuant to ASX Listing Rule 7.1A and subject to the ASX Listing Rules, the capacity to issue up to an additional ten per cent of share capital (calculated in accordance with the formula in ASX Listing Rule 7.1A.2) during the period from the annual general meeting until the sooner to occur of the date twelve months after the meeting and a resolution approved by shareholders pursuant to Rule 11.1.2 or Rule 11.2.”*

Further information in relation to the Resolutions is set out in the Explanatory Notes on the accompanying pages. The directors invite shareholders and guests to join them for afternoon tea at the end of the meeting.

20 September 2012, by order of the Board.

**SIMON LENNON,**  
**Company Secretary, General Counsel, and Chief Financial Officer**

## EXPLANATORY NOTES

### Items 1, 2, 3 and 4

Shareholders who elected to receive printed copies of the 2012 Annual Report of the Company (including the Financial Report of the Company and the reports of the Directors and Auditor for the year ended 30 June 2012) will do so simultaneously or will have done so before their receipt of this notice. Those reports are also available on the Company's website at [www.goldencross.com.au](http://www.goldencross.com.au).

Included in the 2012 Annual Report of the Company is the Directors' Report, which includes:

1. Details of the qualifications, experience, and special responsibilities of Messrs Gemell and Timms.
2. The Remuneration Report of the Company, including remuneration details of Directors and Key Management Personnel.

Shareholders will have a reasonable opportunity for discussion of the Remuneration Report at the meeting. While there is a requirement for a formal resolution on this item under section 250R (2) of the *Corporations Act 2001*, the resolution is advisory only. It does not bind the Company or Directors, although Directors will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company.

### Item 5 – Additional Placement Capacity

ASX Listing Rule 7.1 provides that ASX listed companies may only issue securities up to 15% of the issued capital of the Company in any subsequent twelve month period without shareholder approval, except in certain circumstances (such as a pro rata rights issue under Rule 7.2). The ASX introduced a new Listing Rule 7.1A from 1 August 2012, which allows eligible entities (including the Company) to seek shareholder approval by special resolution at an annual general meeting to increase that 15% capacity by 10% to a total of 25%. A special resolution requires the approval of seventy-five per cent of the shareholders present and able to vote.

The issue price of any shares issued pursuant to the additional capacity must be no less than 75% of the volume weighted average price of the Company's shares during the 15 trading days before:  
(a) the date on which the issue price is agreed, or  
(b) if the shares are not issued within 5 trading days of that date, the date on which the shares are issued.

In considering whether to approve the motion, shareholders should consider the risk of economic and voting dilution of existing shareholders that may result from an issue of shares pursuant to the additional capacity, including the risk that the market price of the Company's shares may be significantly lower than on the date of the annual general meeting considering the motion (15 November 2012), and that the shares may be issued at a price that is a discount to the market price for the Company's shares on the issue date.

The following table sets out the dilution in voting power for existing shareholders resulting from the issue of an additional 10% of shares and the funds raised in certain hypothetical circumstances. As at the date of this notice, the Company has 1,361,900,851 shares on issue. The most recent closing price of the Company's shares before the preparation of this notice was 1 cent per share.

Variable A in Listing Rule 7.1		Issue Price		
		\$0.005 (50% decrease)	\$0.01 (price at notice date)	\$0.02 (100% increase)
1,361,900,851 (current issued shares)	10% of shares	136,190,085		
	Funds raised	\$680,950	\$1,361,901	\$2,723,802
2,042,851,277 (current plus 50%)	10% of shares	204,285,128		
	Funds raised	\$1,021,426	\$2,042,851	\$4,085,703
2,723,801,702 (current plus 100%)	10% of shares	272,380,170		
	Funds raised	\$1,361,901	\$2,723,802	\$5,447,603

The additional capacity, if approved by shareholders, expires on the first to occur of 15 November 2013 and the date of any shareholders resolution pursuant to Rule 11.1.2 or 11.2 being passed.

The purposes of any issue of shares pursuant to the additional capacity would be funding exploration, feasibility studies, working capital, or the acquisition of new exploration tenements or other resources assets. The Company may issue the shares for non-cash consideration. In such events, the Company would obtain a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under Listing Rules 7.1A (4) and 3.10.5A upon the issue of any shares pursuant to the additional capacity.

The Company policy in allocating shares pursuant to the additional capacity will depend upon market conditions at the time. It will have regard to factors including, but not only, the financial situation of the Company at that time and the effect of any issue upon the control of the Company. The recipients of any shares pursuant to the additional capacity may include substantial shareholders of the Company and new shareholders.

The Company has not previously sought approval under Listing Rule 7.1A.

## VOTING ENTITLEMENTS

In accordance with Regulation 7.11.37 of the Corporations Regulations, the Company has determined that for the purposes of the meeting, shares will be taken to be held by those persons recorded on the Company's share register at 4.00 pm Sydney time on Tuesday 13 November 2012. This means that any person not the registered holder of a relevant share at that time will not be entitled to attend and vote at the meeting.

## **VOTING EXCLUSION STATEMENTS**

The Company will disregard any votes cast on Motion 4 (Remuneration Report) by, or on behalf of, a director or member of the key management personnel as disclosed in the Remuneration Report and by a closely related party (such as close family members and any controlled companies) of those personnel, unless the vote is cast by a person as proxy for a person entitled to vote in accordance with a direction on the Voting Form.

The Company will disregard any votes cast on Motion 5 (Additional Placement Capacity) by a person (and any associates of a person) who the Company knows at the time of the Annual General Meeting will participate in the 10% Additional Placement Capacity, being a person who might obtain a benefit if the Motion is passed except a benefit solely in the capacity of a holder of Shares, unless the vote is cast by a person as proxy for a person entitled to vote in accordance with a direction on the Voting Form. As at the date of this notice, the Company has not approached any person to participate in a placement of shares. Thus, no existing shareholders will be excluded from voting on Motion 5 (Additional Placement Capacity).

## **PROXIES**

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

To be effective, proxy forms must be received by the Company at the address or fax number appearing on this notice at least 48 hours before the time for commencement of the meeting.