



GOLDEN CROSS RESOURCES LTD

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GCR Response to HQ Mining Announcement

Golden Cross Resources Limited ('GCR', or the 'Company') notes the announcement, "Intention to Make Takeover Bid" on 18 November 2015, by HQ Mining Resources Holding Pty Limited ('HQ Mining') regarding its proposed conditional takeover bid for GCR.

The HQ Mining announcement appears to add little to its earlier advice, released to the ASX on 26 October 2015, of its intention to make a takeover bid. HQM has now stated its intention to vote against resolutions to approve the Pre-feasibility Study Funding Package (**PFS Funding Package**) at GCR's Annual General Meeting to be held on 16 December 2015. The HQ Mining bid is conditional on those resolutions not being passed.

The PFS Funding Package is being put to shareholders as an alternative to the HQM bid.

HQ Mining's announcement contains a statement that the interest of Mr Ian Buchhorn, a director of GCR, will increase by 42% under that funding package. Mr Buchhorn's interest would in fact increase from its present level of 2.43% to a maximum of 3.73%.

The independent directors of GCR will provide a further update to the market in due course. However, in the meantime, based on information presently available to them, the independent directors believe that HQ Mining's proposed bid price of 7 cents per share does not represent fair value and accordingly recommend shareholders take no action in response to the proposed bid.

Jingmin Qian
Interim Chairman

Further information, contact (02) 9472 3500

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