



# GOLDEN CROSS RESOURCES LTD

ABN 65 063 075 178

ASX Announcement – 21 May 2012

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## 280,000 ounces of gold in near-surface Inferred Resource at Cargo, NSW.



### HIGHLIGHTS

- 10 million tonnes at 0.84g/t gold.
- Surface to 180 metres
- Metallurgical recoveries average 82%
- Additional conceptual Exploration Target

A new Inferred Resource has been defined by Golden Cross Resources (GCR) at its 100%-owned Cargo Gold Project near Orange in New South Wales. The bulk of the resource lies between surface and 75 metres depth over a 400 metre strike length but has been estimated to a depth of 180 metres. The quartz-sulphide veins are open at depth. The size and nature of the resource has encouraged GCR to initiate mining scoping studies.

Initial metallurgical testing of drill chips has yielded recoveries of up to 94% with an average of 82%. Drill core from the recent program will be used for comminution and further gravity, flotation and leach studies.

### Spur-Dalcoath Inferred Resource at a cut-off of 0.5g/t gold

Zone	Cut-off grade g/t gold	Volume (m <sup>3</sup> )	Tonnes (million)	SG	Gold grade g/t	Ounces
SPUR EAST	0.5	891000	2.3	2.60	0.77	57,500
SPUR	0.5	2778688	7.2	2.61	0.88	205,000
DALCOATH	0.5	175125	0.5	2.57	0.74	11,000
WEST DALCOATH	0.5	152438	0.4	2.65	0.72	9,500
			<b>10.4</b>	<b>2.61</b>	<b>0.84</b>	<b>283,000</b>

The Cargo Goldfield lies 15 kilometres west of Cadia and has been mined intermittently for over 140 years. Reverse circulation drilling of quartz-sulphide vein systems by Cyprus Gold Australia and GCR in the 1980's and 1990's defined near-surface gold mineralisation at Spur-Dalcoath. There are additional high grade gold intersections at the Essex and Long Gully lodes (Figure 2) and potential for additional resources at Gum Flat and within the other, so far untested, lode systems radiating from the Cargo porphyry intrusion.

At Spur-Dalcoath there is an additional exploration target of between 100,000 and 200,000 ounces in 5 to 7 million tonnes at an average grade of 0.7 to 0.9 g/t gold based on existing drilling at a 0.5 g/t gold cut-off. The bulk of the exploration potential lies within interpreted mineralised envelopes

adjacent to the Inferred Resource blocks, increasing the strike length to 600m and down dip extent to 250m below surface. The grades and quantities stated as an additional exploration target are of a conceptual nature - there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

<b>Total Inferred Resource at a cut-off of 0.8g/t gold</b> (Number of decimal places does not imply precision)						
Zone	Cut-off grade	Volume (m <sup>3</sup> )	TONNES (million)	SG	Gold grade g/t	Ounces
SPUR EAST	0.8	274875	0.7	2.59	1.14	26,000
SPUR	0.8	1198813	3.1	2.59	1.21	120,500
DALCOATH	0.8	50812.5	0.1	2.56	1.07	4,500
WEST DALCOATH	0.8	24687.5	0.1	2.66	1.29	2,500
			<b>4.0</b>	<b>2.59</b>	<b>1.19</b>	<b>154,000</b>

<b>Total Inferred Resource at a cut-off of 0.2g/t gold</b> (Number of decimal places does not imply precision)						
Zone	Cut-off grade	Volume (m <sup>3</sup> )	TONNES (million)	SG	Gold grade g/t	Ounces
SPUR EAST	0.2	3951750	10.3	2.62	0.42	139,000
SPUR	0.2	6409250	16.8	2.62	0.56	304,000
DALCOATH	0.2	706000	1.8	2.57	0.42	24,500
WEST DALCOATH	0.2	513813	1.3	2.59	0.45	19,000
			<b>30.3</b>	<b>2.61</b>	<b>0.50</b>	<b>487,500</b>

The bulk of the Spur-Dalcoath drilling was by Reverse-Circulation percussion with samples collected by riffle splitting (80%) and spear sampling (20%).

Quality control was implemented during all drill programs, with the insertion of 33 standard samples, 80 duplicate samples and several inter-laboratory comparisons. Gold assaying was by routine fire assay. The sampling and assaying techniques meet the requirements for Inferred Resource estimation.

H & S Consultants has estimated a resource based on 121 holes for a total of 13,865m from 113 RC and 8 core holes. The nominal drill hole spacing is 25x25m. Assays were composited to 2m intervals within interpreted mineralised envelopes.

Zone	Core – 2m composites	RC – 2m composites
Spur East	23	1230
Spur	256	2515
Dalcoath	91	285
West Dalcoath	16	112
<b>Total</b>	<b>386</b>	<b>4142</b>

Resource blocks of 10mx10mx5m were used.

The dry bulk densities applied were: Oxide=2.3, Transition=2.4 and Primary=2.7. Oxide, Transition and Primary boundaries were modelled from all drill holes within the model area, including those not used for the estimation. Values were assigned using average bulk densities from the geologically similar Copper Hill Oxide, Transition and Primary zones.

The resource estimates were generated using ordinary kriging, the maximum search pass for the Inferred Category was 30x90x90m with the exception of the Dalcoath West lode where the maximum

search was 20x60x60m. All passes required a minimum of 6 data points from at least 2 drill holes and within no less than 2 of 8 radial segments.

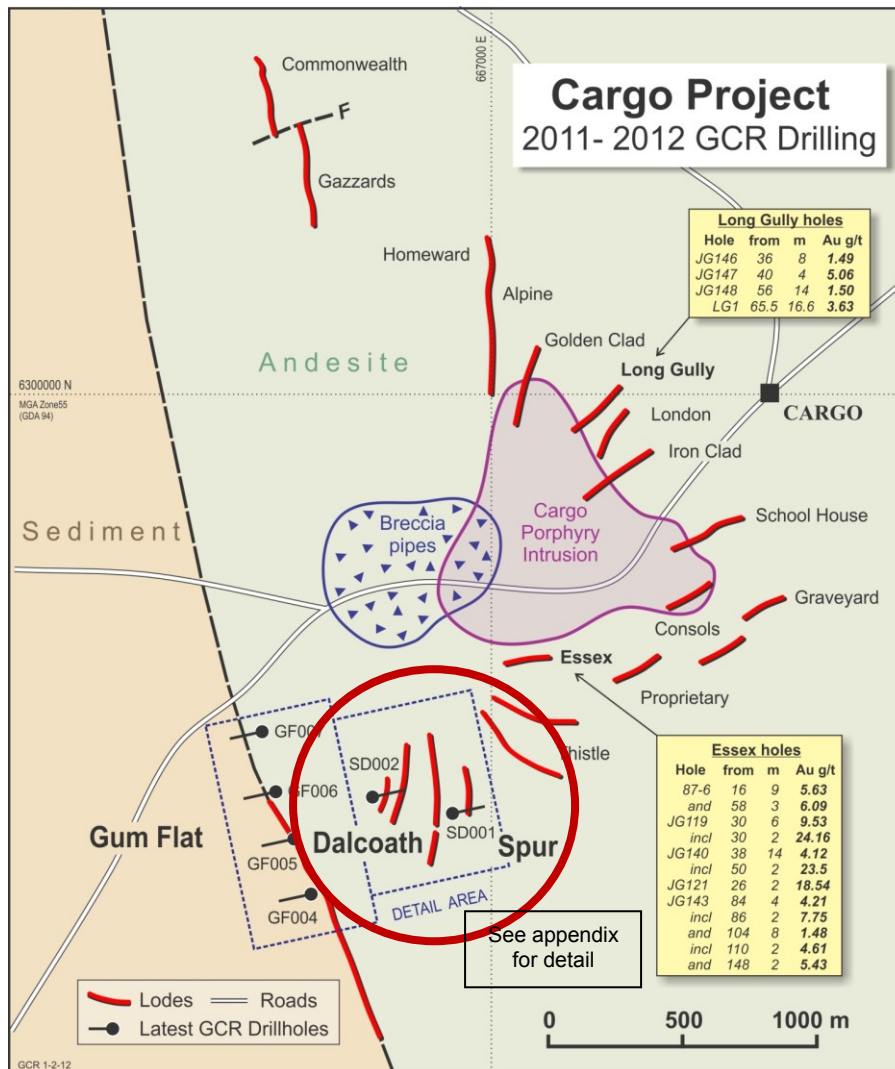


Figure 2: Spur-Dalcoath and the Essex & Long Gully drill results

SPUR-DALCOATH TOTAL INFERRED RESOURCE			
Cut off grade g/t gold	Tonnes (million)	Gold grade g/t	Ounces gold
0.1	41.1	0.41	540,500
0.2	30.3	0.50	487,500
0.3	21.0	0.61	414,000
0.4	14.5	0.73	342,000
<b>0.5</b>	<b>10.4</b>	<b>0.84</b>	<b>283,000</b>
0.6	7.6	0.96	233,000
0.7	5.5	1.07	189,500
0.8	4.0	1.19	154,000
0.9	3.0	1.31	126,000
1	2.3	1.42	105,000

Number of decimal places does not imply precision

<b>Total Inferred Resource at a cut-off of 0.2g/t Au - MATERIAL TYPE</b>					
DESCRIPTION	Cut Off g/t Au	Tonnes (million)	SG	Gold g/t	Ounces
OXIDE	0.2	0.8	2.30	0.60	14,500
TRANSITION	0.2	7.0	2.40	0.54	120,500
FRESH	0.2	22.5	2.70	0.49	352,000
		30.3	2.62	0.50	487,500
Number of decimal places does not imply precision					

<b>Total Inferred Resource at a cut-off of 0.5ppm Au - MATERIAL TYPE</b>					
DESCRIPTION	Cut Off g/t Au	Tonnes (million)	SG	Gold g/t	Ounces
OXIDE	0.5	0.3	2.30	0.94	10,000
TRANSITION	0.5	2.6	2.40	0.90	74,000
FRESH	0.5	7.5	2.70	0.82	198,500
		<b>10.4</b>	<b>2.61</b>	<b>0.84</b>	<b>283,000</b>

<b>Total Inferred Resource at a cut-off of 0.8ppm Au -MATERIAL TYPE</b>					
DESCRIPTION	Cut Off g/t Au	Tonnes (million)	SG	Gold g/t	Ounces
OXIDE	0.8	0.2	2.30	1.29	6,500
TRANSITION	0.8	1.1	2.40	1.27	45,000
FRESH	0.8	2.8	2.70	1.16	102,000
		<b>4.0</b>	<b>2.60</b>	<b>1.19</b>	<b>154,000</b>

<b>Total Inferred Resource at a cut-off of 0.2ppm Au</b>					
NAME	Cut Off g/t Au	Tonnes (million)	SG	Gold g/t	Ounces
SPUR EAST	0.2	10.3	2.62	0.42	139,500
SPUR	0.2	16.8	2.62	0.56	304,000
DALCOATH	0.2	1.8	2.57	0.42	24,500
WEST DALCOATH	0.2	1.3	2.59	0.45	19,000
		30.3	2.61	0.50	487,500

*Compliance Statements:*

*Note: GCR provided the drill hole database, which H&S Consultants has accepted in good faith as being reliable, accurate and complete. GCR also supplied a geological interpretation of the Spur-Dalcoath vein systems, which formed the framework for the resource estimates. H&S has not validated the GCR database or geological interpretation in any detail, so responsibility for these aspects of the resource estimates, including the quality of the data, resides with GCR.*

*The Resource Estimates were overseen by Mr Arnold van der Heyden a full-time employee of H&S Consultants Pty Ltd., specialists in resource estimation and geostatistics. Mr van der Heyden is a Member of the Australian Institute of Geoscientists (AIG), has more than five years experience in the field of activity in which he is reporting and consents to his report being incorporated into this announcement in the context in which it appears above.*

*The information in this report that relates to Exploration Results is based on information compiled by Kim Stanton-Cook, who is a member of the Australian Institute of Geoscientists, is a full-time employee of GCR, and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Kim consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.*

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## CORPORATE DIRECTORY

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### Board of Directors

Kim Stanton-Cook Managing Director  
Li Xiaoming Non Executive Director  
Jingmin Qian Non Executive Director  
Suzanne Qiu Non Executive Director  
David Timms Non Executive Director  
Li Yan Alternate Director for Mr Li

### Company Secretary

Simon Lennon

### Issued Share Capital

Golden Cross Resources Ltd has 1,361 million ordinary shares on issue listed on the ASX.

### Share Registry

Boardroom Limited  
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**Please direct shareholding enquiries to the Share Registry.**

### About Golden Cross Resources Ltd

*Golden Cross Resources (ASX:GCR) is a mineral explorer with a copper-gold focus. Its major project is the Copper Hill copper-gold deposit in central NSW. GCR also has many other high quality projects across Australia as well as prospective joint ventures funded and managed by GCR's partners.*

*The Copper Hill Constrained Resource, (Lewis Mineral Resource Consulting, ASX announcement 13 Dec. 2011) of 153 million tonnes, contains 511,000 tonnes of copper and 1.35 million ounces of gold. The initial 30 million tonne planned open pit contains 120,000 tonnes copper and 480,000 ounces of gold.*

*Future drilling efforts will be aimed at extending the size and grade of the mineralisation.*

*Metallurgical studies are continuing, to maximise copper and gold recoveries.*

*Completion of the Scoping Study was achieved at the end of 2011 with a Feasibility Study, acceptable to financiers, now scheduled for later this year. Now the Scoping Study review is complete, GCR has more certainty regarding the potential for the project to become an operating mine. Studies are on-going and remain encouraging.*

### About China United Mining Investment Corporation (CUMIC)

*CUMIC is a privately owned, Beijing-based investment company specialising in mineral and mining investment. CUMIC has a portfolio of exploration and mining assets in various parts of the world, focusing on iron, copper and gold. CUMIC developed and controls the Mongolia Eleet River Iron and Steel Company, a major iron ore mining company.*







## GCR Project Locations