

2 May 2006

Copper Hill Resource Estimate

A Resource Estimate has been completed by Hellman & Schofield Pty Ltd for GCR's 100%-owned Copper Hill porphyry copper-gold project near Molong, NSW.

The estimate, using historical drill results and drill results received prior to hole GCHR087 in the current drilling program, is tabulated below at several cut-off grades.

At a 0.20% copper cut-off grade, the Resource Estimate is:

105Mt at 0.33% copper and 0.33 g/t gold, containing, in-ground, 344,000t of copper and 1.12 Moz of gold.

Copper Hill Resource Estimate – Indicated and Inferred – May 2006

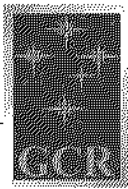
Copper Cut-off (%)	Tonnes (Mt)	Copper (%)	Gold (g/t)	Contained Copper (Kt)	Contained Gold (M oz)
0.10	238	0.23	0.24	538	1.81
0.20	105	0.33	0.33	344	1.12
0.30	44	0.44	0.45	196	0.64

Potential exists at Copper Hill for the additional discovery and extension of mineralisation, both within the current resource envelope and beyond. This resource estimate is preliminary, with outstanding assay results from 20 drill holes yet to be included, and the resource delineation drilling program, presently using two rigs, approximately 60% completed. Further results will feed into a revised resource estimate to be issued in coming months.

At a 0.20% copper cut-off grade, approximately 25% of the Resource Estimate is Indicated, and 75% Inferred. Primary mineralisation comprises 92% of the resource (tonnage) with 2% supergene and 6% oxide copper. The resource outcrops at surface and preliminary pit optimisation studies indicate low strip ratios. Mining consultant AMDAD has been commissioned to run a Whittle 4D optimisation and design a first-pass pit to determine volumes, tonnages, grades and waste.

The resource estimate will form the basis for a Scoping Study to immediately investigate various technical options for the project. GCR's minimum aim, subject to further discoveries, is for Copper Hill to become a 10Mtpa operation producing, on average, around 30,000 tonnes of copper and 95,000 ounces of gold each year over a minimum of ten years, assuming recoveries of 85% for copper and gold.

GCR's preliminary in-house economic modelling indicates that an operation of this size will produce a robust cash flow, assuming prices of US\$1.40/lb for copper, US\$450/oz for gold and conservative capital and operating costs.



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Notes

The Resource Estimate was calculated by Arnold van der Heyden, a full-time employee of Hellman & Schofield Pty Ltd ("H&S"), specialists in resource estimation. Mr van der Heyden, MAusIMM, 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. He is a Competent Person under the meaning of the JORC (2004) Code.

Model densities are the average for each zone from drill hole statistics: Primary – 2.68, Supergene – 2.44, Oxide – 2.27, Barren Dyke – 2.61.

Indicated Resources are:

Copper Cut-off (%)	Tonnes (Mt)	Copper (%)	Gold (g/t)	Contained Copper (Kt)	Contained Gold (M oz)
0.10	45	0.28	0.32	126	0.46
0.20	26	0.38	0.42	99	0.35
0.30	14	0.49	0.55	70	0.25

Inferred Resources are

Copper Cut-off (%)	Tonnes (Mt)	Copper (%)	Gold (g/t)	Contained Copper (Kt)	Contained Gold (M oz)
0.10	193	0.21	0.22	411	1.36
0.20	79	0.31	0.30	245	0.77
0.30	30	0.42	0.41	126	0.39

Significant uncertainties relating to the resource estimate include: the possible understatement of Cu grades due to loss of friable chalcocite during drilling, possible bias (low) of Cu and Au grades as suggested by performance of anonymous standards submitted with samples from the 2006 drilling program. The assay and geological database has been constructed by Golden Cross personnel and provided to H&S. Golden Cross takes responsibility for the data provided to H&S.

This report was prepared overall by Kim Stanton-Cook, Managing Director and full time employee of Golden Cross Resources Ltd, who is a Member of the AIG and has more than five years' experience in the field of activity in which he is reporting. He is a Competent Person under the meaning of the JORC (2004) Code.

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Golden Cross is a gold and base metals explorer, searching in NSW and the Northern Territory for economic deposits in proven mineral belts.

The Company holds mineral tenements within the Lachlan Fold Belt of NSW, which contains Rio Tinto's Northparkes, Newcrest's Cadia-Ridgeway, and Barrick's Cowal deposits. It also holds tenements in the Curnamona Province of western NSW and an option over several tenements in the McArthur Basin in the Northern Territory.