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7 November 2007

Major Drilling Program Commenced at Canbelego near Cobar

A major drilling program has commenced to test three of GCR's 100%-owned properties in the Cobar district of western NSW. The initial program is for 4,700m, with 16 holes for 2,500m planned at Canbelego, 1,750m within the extensive Rast properties south of Nymagee, and a 450m hole to test a unique magnetic anomaly at Kilparney.

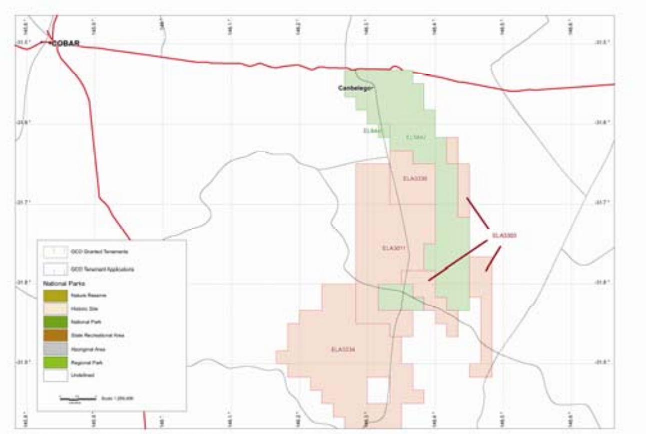

Figure 1. Location of Canbelego Tenements

The first holes will test the anomalies generated by the recently completed IP survey within the Canbelego properties (see Figures 1 - 3), with the first hole commenced on 1 November to test the C2A anomaly to 250m. Drilling is underway.

Canbelego

The Canbelego properties are located approximately 40 km east of Cobar in western NSW. The Cobar Field, including the Canbelego properties, is one of the longest-lived and most productive gold, copper lead and zinc areas in Australia. GCR's properties are host to numerous gold and base metals prospects and considered to be highly prospective for a number of styles of mineralisation, including high grade epithermal gold and Cobar-style gold-base metals mineralisation.

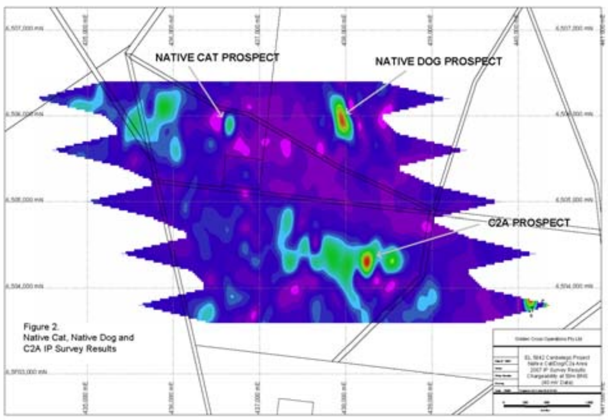

Figure 2.
Native Cat, Native Dog and C2A IP Survey Results

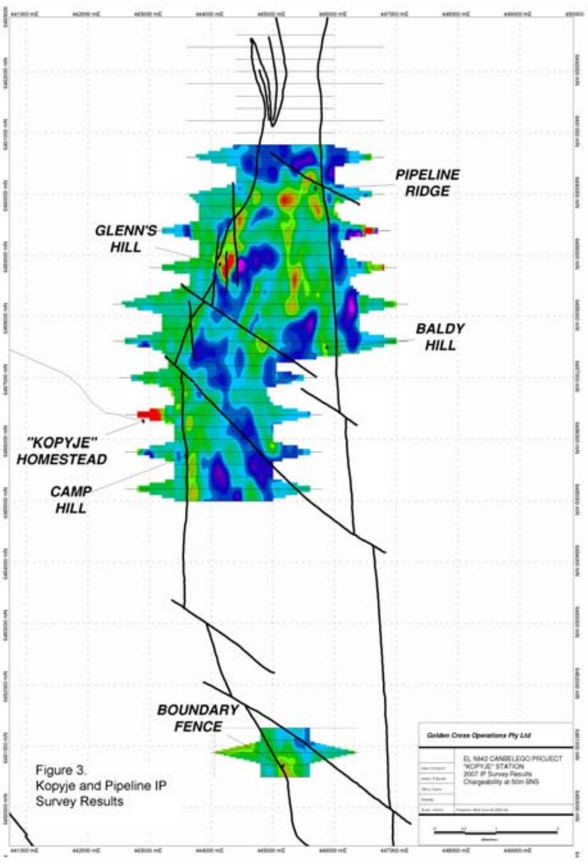

Figure 3.
Kopyje and Pipeline IP Survey Results

The extensive IP survey was completed over a number of target areas including Native Cat, Native Dog, C2A, Kopyje, including Pipeline Ridge and strike extensions, Glenn's Hill, Camp Hill, Boundary prospects) and the Hardwicks-Boppy Blocks area (see Figures 2 and 3). Data from the IP surveys has been used, in conjunction with existing geological, geochemical and geophysical data, to define a number of drill targets (see Figures 4 - 7).

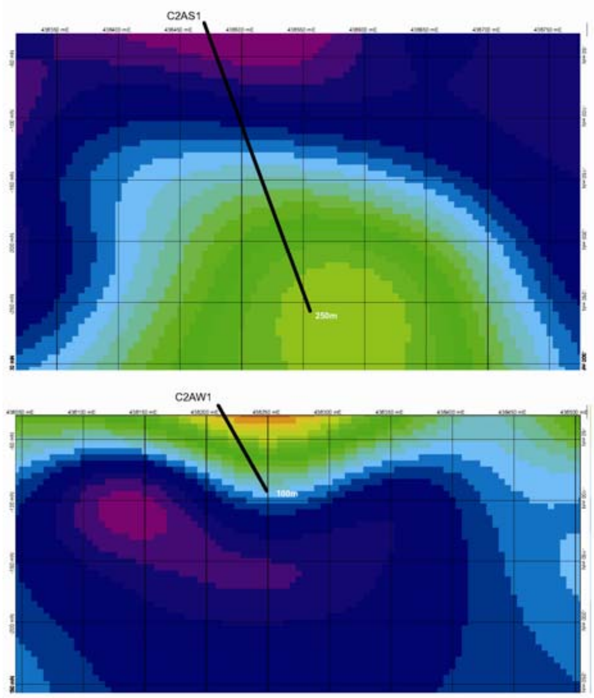

Figure 4. C2A Prospect
Cross Sections of IP Chargeability with Proposed Drillholes

Exploration Targets

There are several styles of mineralisation being targeted by current exploration, including:

- Mt Boppy-style high grade epithermal gold mineralisation – structurally-controlled chalcedony-quartz-pyrite lodes located on/near the contact of Ordovician and Devonian age rock units. (Native Cat, Native Dog, Hardwicks, Boppy Blocks and Avoca prospects).
- Carlin-style sub-micron carbonate-hosted gold-silver mineralisation which may occur with pyrite in receptive, permeable facies fed low temperature metal-bearing saline fluids of magmatic or metamorphic origin via major structural breaks such as those within and on the edges of the Canbelego Basin (C2A and C5).
- A variant of the above and also of Cobar-style mineralisation is replacement style gold – base metals - magnetite mineralisation in favourable lithological facies adjacent to regional/semi-regional structures that would provide fluid pathways (again, C2A, C5 prospects).
- Cobar-style base metals ± gold mineralisation (ie Peak, CSA and Endeavor mines) localised within dilation structures along zones of competency contrast and high strain zones (Burra prospect, with best intersection of 12m at 2.8% copper).
- Possible porphyry-related gold-base metals mineralisation hosted within breccias and altered volcano-sedimentary sequences such as at The Peak gold mine south of Cobar. The Kopyje prospects including Pipeline Ridge, Glenn's Hill, Camp Hill, Boundary and Baldy Hill may be examples of this style of mineralisation.

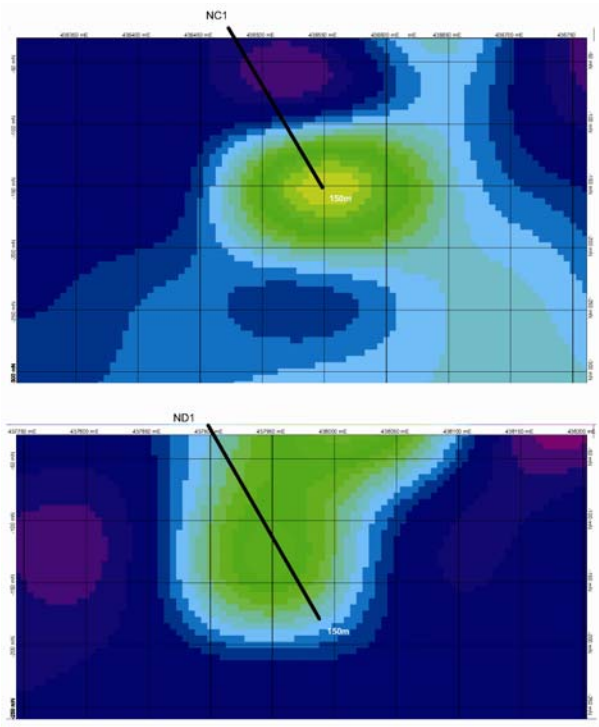

Figure 5. Native Cat and Native Dog Prospects
Cross Sections of IP Chargeability with Proposed Drillholes

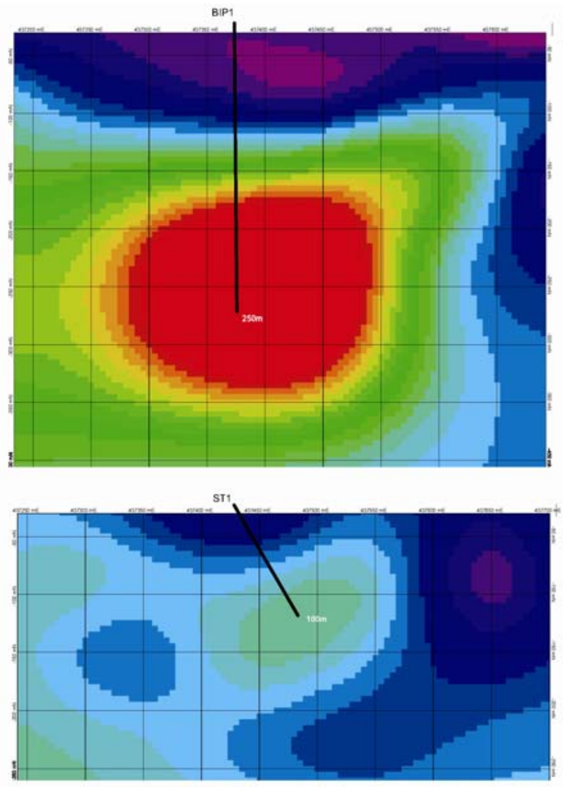

Figure 6. BIP and Scrubby Tank Prospects
Cross Sections of IP Chargeability with Proposed Drillholes

Previous Exploration

Much of the Canbelego area has attracted varying levels of exploration activity, which has identified numerous areas of interest; some of which are the subject of the current GCR exploration programs. Drilling on some prospects (ie Pipeline Ridge, Glenn's Hill, C2A, Native Dog, Hardwicks) has intersected highly anomalous mineralisation. Past exploration has provided a significant geological, geochemical and geophysical database that will be utilised with current geological and geophysical exploration programs to define further targets that can be tested by drilling. A 5% net profits royalty is payable to a previous explorer over the northern part of the Canbelego tenement.

Drilling Program

Drilling targets have been delineated at the following prospects at Canbelego, to be tested by 2,500m of RC percussion drilling (see Figure 7):

Hardwicks/Boppy Blocks: 5 x 100m holes to test down-dip/along strike from previous drilling (GCB88: 38m at 3.4 g/t gold at Hardwicks).

Avoca: 1 x 100m hole to test a geological/geochemical target for Mt Boppy-style (12 g/t gold) mineralisation.

C2A: 1 x 250m hole to test combined IP/geology target. Major IP anomaly showing broad zone of strong conductivity interpreted to be either pyritic black shale or Carlin-style mineralisation.

Native Dog: 2 x 150m holes to test combined IP and geochemical targets.

Native Cat: 2 x 150m holes to test IP targets.

Kopyje Area: 6 x 150m holes to test IP targets in the Pipeline Ridge, Glenn's Hill, Camp Hill and Boundary prospect areas. Previous best hole at Pipeline Ridge returned 9.2m at 4.27g/t gold, 102 g/t silver, 1.75% copper, 2.47% zinc from 84m, plus 11.5 m at 3.12 g/t gold, 69 g/t silver from 126m.

Geweroo: 1 x 150m hole to test best IP and soil geochemistry target.

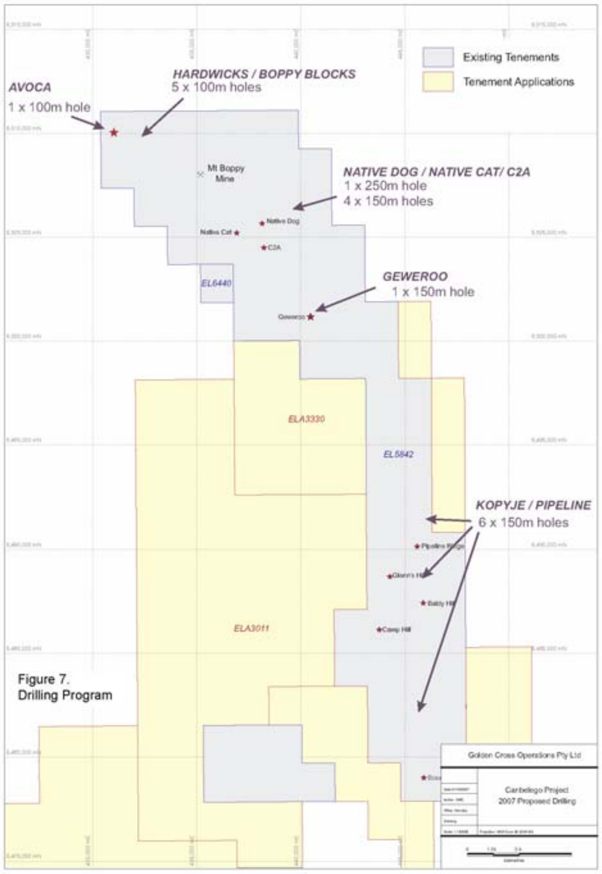

Figure 7.
Drilling Program

GCR's Managing Director, Kim Stanton-Cook, said today:

> "The Canbelego drilling program is the culmination of GCR's efforts dating back to the late 1990s, leading up to the recently completed IP survey. Canbelego is an excellent property and we are excited to be drilling IP anomalies along strike from known mineralisation, such as the 0.5m oz high-grade Mt Boppy Gold Mine. Drilling is underway and results will be announced as they come to hand."

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Golden Cross is a gold, uranium and base metals explorer holding tenements in the Lachlan Fold Belt, Curnamona Province and Thomson Orogen of New South Wales, the Mount Isa, Georgetown and Bowen regions of Queensland and the Yilgarn Block of Western Australia. It also has joint venture exploration interests in Panama and Labrador, Canada. GCR has taken its 100%-owned Copper Hill property to the defined resource stage and is seeking a major mining group as a joint venturer to take the project forward. Recoverable metal production from Copper Hill, at current copper and gold prices, is estimated to be worth over $US2.2 billion.