



GOLDEN CROSS RESOURCES LTD

ABN 65 063 075 178

22 Edgeworth David Ave
Hornsby NSW 2077
Phone (02) 9472 3500

7 March 2011

Dear Shareholder,

Your company is poised to move dramatically ahead. I wish to take this opportunity to make clear to you my firm belief that a mine at Copper Hill now looks more likely to proceed than at any time in the past.

Copper and gold prices are at very high levels. Many commentators expect them to remain relatively high with long-term projections showing demand exceeding supply. Slow discovery rates and a reduction in the number of copper-gold mines being developed in Australia and overseas lend weight to this view.

GCR is poised to take advantage of the prevailing conditions. Copper Hill is well situated in central New South Wales, with power, rail and a major highway close to the site. The supportive people of nearby Molong have a strong appreciation of the employment and business opportunities the Copper Hill Mine will create.

Exploration has recently rewarded us with some of the best drill intersections ever seen at Copper Hill. These results indicate there is more good news to come. Two drilling rigs are now on-site, extending and improving the status of the resource.

We've recently appointed several senior consultants to lead the Development Team. Highly experienced mining engineer Mark Moddejongen is Project Manager, assisted by veteran geologist Richard Lewis. They have been involved in designing, building and operating mines in Australia and overseas. Two very senior mining engineers, Shu Zhang and John Chen, have broad mine experience in Australia as well as mine-building experience in China. They will continue to assist me with liaison in China and with the assessment of milling and processing equipment. Metallurgical test-work is on-going, with encouraging results, at Metcon Laboratories, under Ken Kellett's practiced supervision.

Mine design and treatment process strategies are advancing as part of the on-going feasibility study, due for completion by the end of this year. The study includes environmental base-line studies and government approvals. Lindsay Gilligan, formerly Director of the NSW Geological Survey, is advising GCR as we negotiate the government regulatory framework and approvals process.

Golden Cross holds a 100% interest in what should be Australia's next large porphyry copper-gold mine. I assure you that your Board and Management are working hard to progress the Copper Hill project to development, and we greatly appreciate your continued support as a shareholder.

Yours sincerely,

Kim Stanton-Cook
Managing Director