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ASX Announcement

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7 February 2012

Cargo Drilling Program

testing near-surface gold intersections from previous drilling

at the Spur-Dalcoath Lodes of

17 metres at 5.3 g/t gold, 2 metres at 44 g/t gold, 54 metres at 1.1 g/t gold and 16 metres at 3.86 g/t gold

Figure 1. Location

Golden Cross Resources (GCR) has completed the first round of core drilling at the Spur-Dalcoath gold targets within the Cargo Project. The Cargo Goldfield lies 15 kilometres west of Cadia and has been mined intermittently for over 140 years. Previous explorers, Billiton Australia (Shell Metals) and Cyprus Gold, drill-tested several anomalous gold zones in the 1970's and 1980's and defined what may be, potentially, payable bodies of near-surface gold mineralisation. GCR followed up with extensive drilling here in the late 1990's.

Hole #	Lode	CO-ORDINATES				Azi	Dip	Hole	INTERCEPT			Gold
		Local E	Local N	MGA East	MGA North	Mag		Length	From	To	Length	g/t
CAT54	Dalcoath	4491	4293	666662	6299112	246	-50.0	67.0	50.0	67.0	17	5.31
CRC6	Spur	4621	4281	666789	6299127	65	-55.0	65.8	4.0	58.0	54	1.19
CRC36	Spur	4539	4095	666748	6298932	118	-50.0	70.0	28.0	44.0	16	3.86
JG91	Spur	4594	4126	666794	6298973	65	-55.0	80.0	12.0	26.0	14	4.22
JG60	Spur	4614	4306	666777	6299149	65	-55.0	81.0	10.0	22.0	12	4.05
JG60	Spur	4614	4306	666777	6299149	65	-55.0	81.0	0.0	7.0	7	4.29
CRC37	Spur	4597	4280	666766	6299121	65	-55.0	100.0	0.0	12.0	12	3.69
JG88	Spur	4592	4126	666792	6298973	245	-55.0	76.0	50.0	56.0	6	7.03
JG65	Spur	4552	4304	666719	6299135	65	-55.0	100.0	38.0	56.0	18	2.30
JG51	Spur	4621	4383	666769	6299225	65	-55.0	81.0	20.0	29.0	9	4.55
CAT40	Dalcoath	4636	4307	666798	6299155	266	-40.0	38.0	0.0	18.0	18	2.27
JG92	Spur	4523	4277	666695	6299104	65	-55.0	120.0	80.0	96.0	16	2.42
JG74	Spur	4611	4229	666790	6299075	65	-55.0	96.0	41.0	70.0	29	1.24
CRC5	Spur	4585	4332	666744	6299168	65	-50.0	92.3	2.0	44.0	42	0.85
CRC27	Spur	4605	4255	666779	6299098	65	-55.0	100.5	54.0	64.0	10	3.55
CRC35	Spur	4500	4084	666712	6298914	118	-50.0	100.0	18.0	30.0	12	2.74
CRC37	Spur	4597	4280	666766	6299121	65	-55.0	100.0	68.0	98.0	30	1.04

Table 1: Best historical intercepts by Cyprus Gold and GCR (in grade x length order)

GCR's first-pass program of two core holes, targeted mineralised zones reported from the previous drilling campaigns. Large diameter PQ & HQ core was drilled to provide geological data for planning the follow-up drilling, essential for defining JORC-compliant resources.

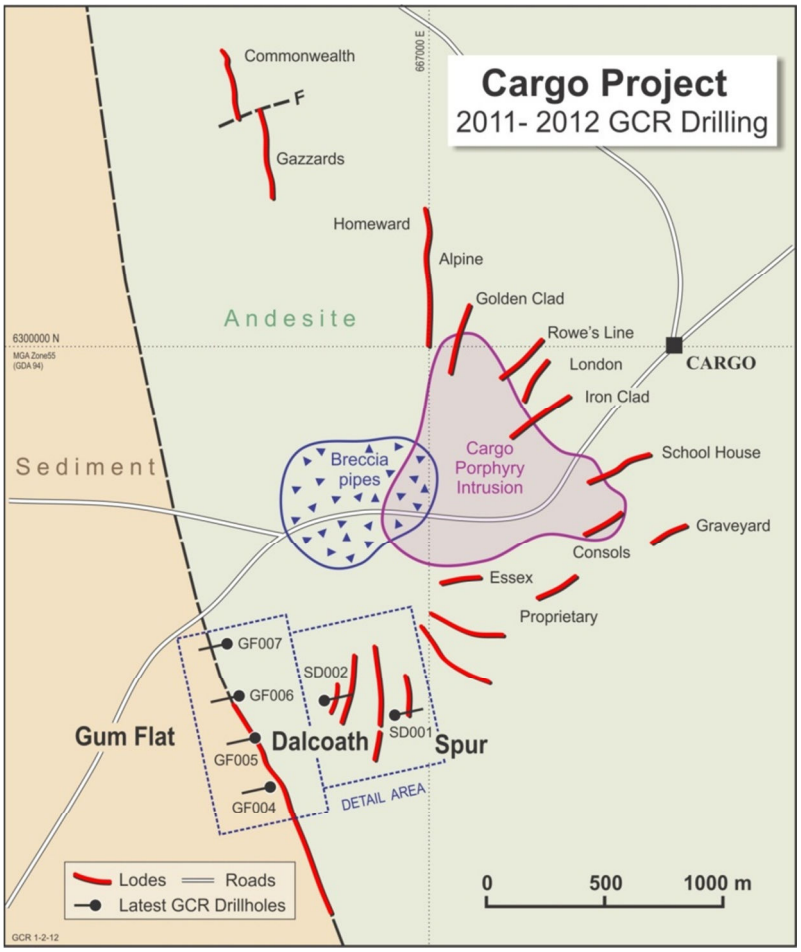

Figure 2: Latest Cargo Drilling

Spur-Dalcoath

The Spur-Dalcoath area comprises several sub-parallel gold-bearing quartz vein systems with gold-bearing disseminated and veined pyritic zones, radiating from the central Cargo Porphyry Intrusion.

Close-spaced RC drilling extends to only 50m vertically with few holes testing potential deeper targets. The better historical ore grade intersections are shown in Table 1 above and on the attached plans. Table 3 is appended and contains a more comprehensive list.

Initial pit optimisations, based on the Cyprus Gold and GCR drill data and using current gold prices, show clear potential for an economic resource to be defined at Spur-Dalcoath to a depth of 75 metres.

Recent Golden Cross drilling into the Spur Lode yielded a best intersection of 9m @ 2.07 g/t gold from 41m down-hole in SD001. This intercept and several others occur within a broad zone of lower grade mineralisation (54m @ 0.34 g/t Au), comparable to previous drilling down-dip which returned 46m @ 0.57 g/t Au.

Similar intervals were returned at Dalcoath West in SD002, which remains largely untested along strike.

Hole #	Lode	CO-ORDINATES				Azi Mag	Dip	Hole Length	cut-off g/t Au	INTERCEPT			Au g/t
		Local E	Local N	MGA East	MGA North					From (m)	To (m)	Length (m)	
SD001	Spur	4550	4100	666760	6298940	66	-60.0	110.9	0.2	9.0	25.0	16.0	0.46
SD001									incl 0.5	14.0	21.0	7.0	0.76
SD001									0.2	40.0	52.0	12.0	1.64
SD001									**incl 0.5**	**41.0**	**50.0**	**9.0**	**2.07**
SD001										95.0	100.0	5.0	0.30
SD001									0.2	104.0	108.0	4.0	0.33
SD002	Dalcoath W	4295	4350	666462	6299130	66	-60.0	119.7	0.2	26.0	46.0	20.0	0.44
SD002									incl 0.5	33.0	42.0	9.0	0.65
SD002									0.2	51.0	55.0	4.0	0.45
SD002									0.2	62.0	75.0	13.0	0.47
SD002									incl 0.5	62.0	66.0	4.0	0.82
SD002									& incl 0.5	69.0	75.0	6.0	0.47

Table 2: Latest Cargo Spur-Dalcoath Drilling

Further drilling will be required to upgrade the Spur-Dalcoath data to define resources, and to test strike and down-dip extensions.

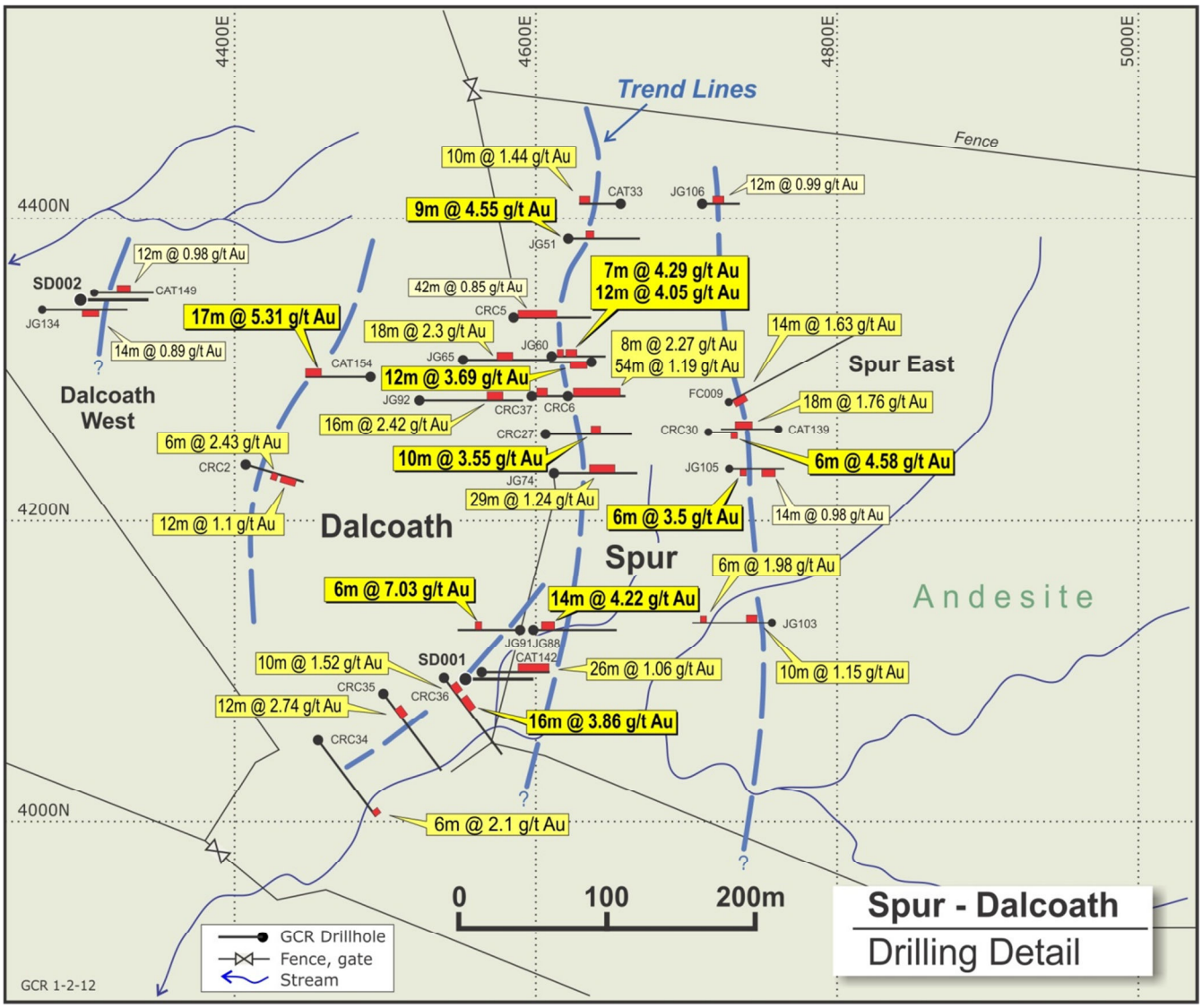

Figure 3: Spur-Dalcoath Drilling Detail – Historical Results Showing location of recent GCR holes

Based on the existing drilling data and GCR's new results, a preliminary mine plan was prepared for the Spur-Dalcoath gold deposit.

A pit optimisation was undertaken using the following assumptions:

- Gold price AUD$1700/oz
- Fixed gold recovery of 85% (Gold recoveries of between 85% - 95% achieved in early Metcon tests on composite RC chips)
- Process & Other costs at $20/tonne
- Variable mining cost by depth with a base cost $2.64/tonne
- Pit Wall slopes of 38 degrees

The pit mass, waste, tonnes of extractable material above a selected cut-off grade were all estimated and the subsequent economic analysis provides encouragement to proceed with extensive follow-up drilling and preliminary metallurgical test-work.
A detailed pit was designed based on the maximum undiscounted pit shell using the following parameters:

Bench height 10metres, berm width 4metres, wall batter 70 degrees, ramp width 16m (8m at depth)

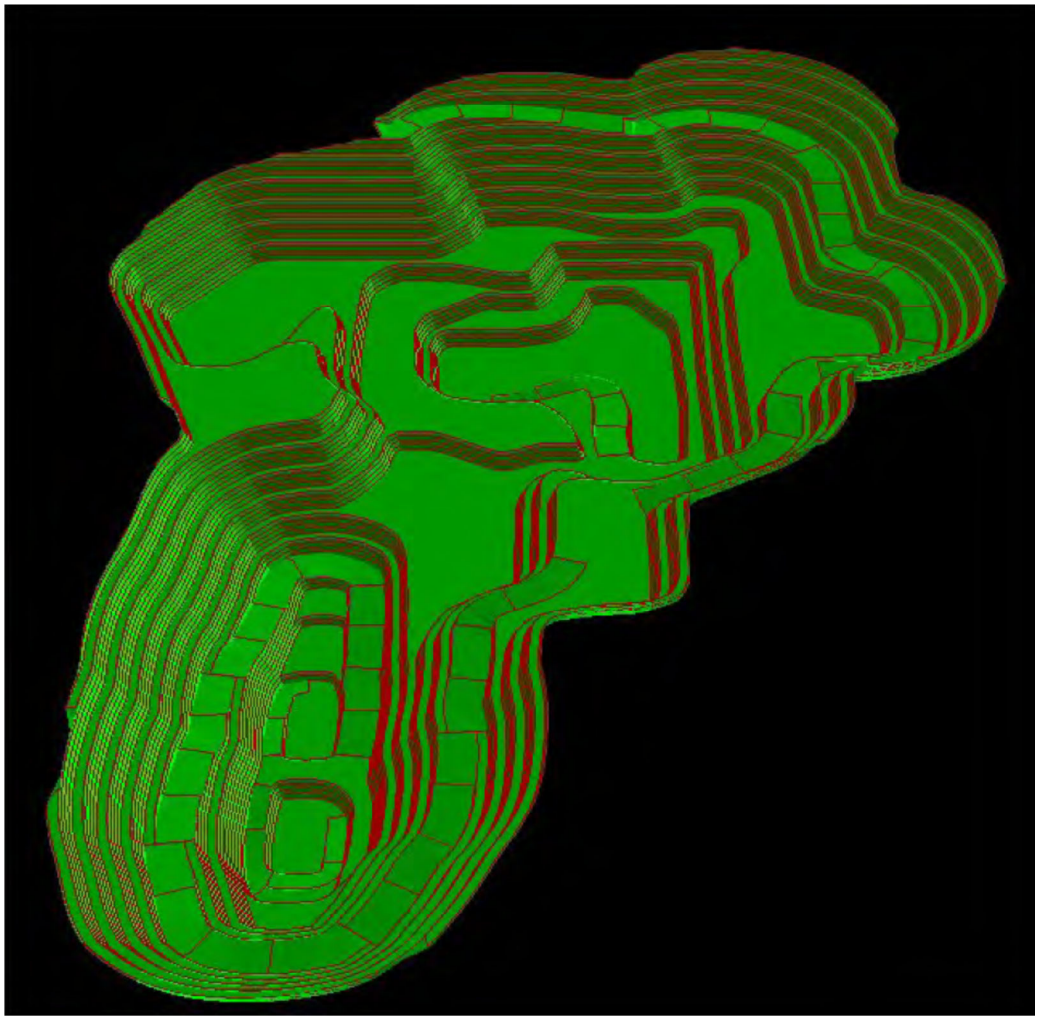

Figure 4: Spur-Dalcoath - Detailed 3D Pit Design. (View looking North)

Compliance Statement. *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.*

Hole ID	MGA East	MGA North	RL	From (m)	To (m)	Interval (m)	Au g/t
JG106	666845	6299269	562	6	18	12	1.0
JG107	666817	6299237	526	44	50	6	1.7
JG117	666722	6299059	520	26	32	6	1.8
JG134	666435	6299116	486	52	66	14	0.9
JG40	666585	6299051	502	44	46	2	5.3
and				69	71	2	7.6
JG51	666769	6299225	556	0	16	16	1.0
and				20	29	9	4.6
JG52	666821	6299263	542	31	38	7	1.4
JG53	666801	6299258	525	46	63	17	0.9
JG55	666610	6299031	517	25	28	3	7.8
JG56	666785	6299177	552	1	8	7	2.4
JG57	666766	6299172	547	0	20	20	0.8
and				23	34	11	1.6
and				44	58	14	1.1
JG58	666746	6298962	485	59	64	5	3.6
JG59	666796	6299154	536	18	24	6	2.5
JG60	666777	6299149	550	0	7	7	4.3
and				10	22	12	4.1
JG62	666808	6299106	534	8	27	19	0.8
JG63	666817	6299030	523	22	24	2	5.0
and				52	56	4	4.0
JG64	666722	6299162	520	41	50	9	1.2
JG65	666719	6299135	533	21	30	9	2.7
and				38	56	18	2.3
and				64	71	7	1.9
JG66	666744	6299115	526	26	31	5	2.6
JG70	666757	6299145	536	11	27	16	0.9
and				60	74	14	1.3
JG71	666821	6298929	477	59	70	11	1.0
JG73	666734	6299190	518	50	56	6	1.7
and				81	94	13	0.9
JG74	666790	6299075	500	41	70	29	1.2
and				74	84	10	1.5
JG75	666771	6299019	490	59	64	5	2.5
JG77	666798	6299052	496	51	62	11	0.9
and				71	84	13	1.0
JG78	666707	6298952	500	32	50	18	0.7
and				55	59	4	2.7
JG82	666767	6298812	472	72	74	2	10.7
JG86	666720	6299213	530	42	46	4	4.1
JG88	666792	6298973	489	50	56	6	7.0
JG90	666670	6299123	502	62	64	2	5.5
JG91	666794	6298973	516	12	26	14	4.2
JG92	666695	6299104	523	30	38	8	2.6
and				80	96	16	2.4
JG95	666858	6299040	486	58	70	12	1.4
JG97-1	666643	6299085	494	66	68	2	5.9
NCG004	666547	6299084	517	27	29	2	44.1

Table 3: Historic Cargo RC Drilling Intercepts
(0.5 g/t Au cut-off, 2 metre minimum width)

CORPORATE DIRECTORY

Board of Directors

Chris Torrey	Chairman
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

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Issued Share Capital

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

Share Registry
Boardroom Limited
Level 7
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Sydney NSW 2000

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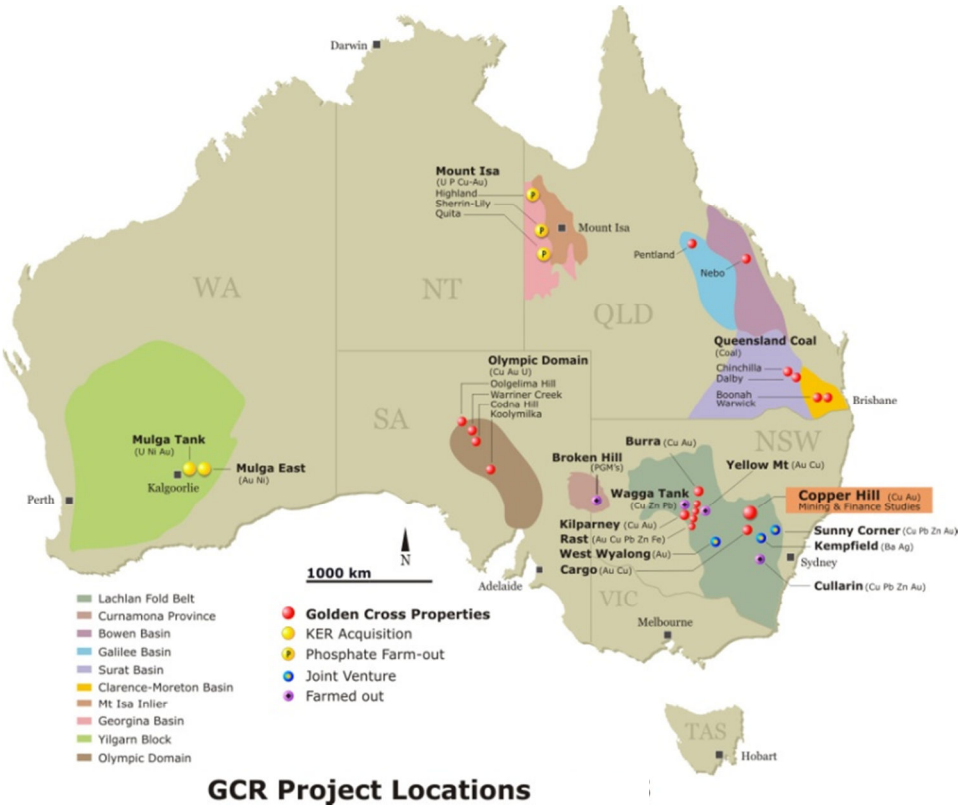
Please direct shareholding enquiries to the Share Registry.

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 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 mid-2012. 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