

**Golden Cross Resources Ltd.**  
**ABN 65 063 075 178**

**Half-Year Financial Report**

**31 December 2018**

## Contents

	<b>Page No.</b>
Company Particulars	3
Directors' Report	4
Auditor's Independence Declaration	5
Statement of Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Notes to the Financial Statements for the Half-Year ended 31 December 2018	10
Directors' Declaration	18
Independent Auditor's Review Report to the Members	19

## Company Particulars

### Directors:

Ken Hellsten, BSc (Hons), MAICD, FAusIMM  
Appointed Chairman 22 July 2016  
*Chairman and Non-executive Director*

Xiaoming Li, MBA, BA (Comm)  
Appointed 13 January 2009  
*Non-executive Director*

Yuanheng Wang, LLB (Hons)  
Appointed 28 November 2014  
*Non-executive Director*

Yan Li, MBA  
Appointed 5 July 2010  
*Alternate Director for Xiaoming Li*

Neil Fearis, LLB (Hons), FAICD, F Fin  
Appointed 22 October 2015 (Resigned 21 January 2019)  
*Non-executive Director*

### Company Secretary

Carl Hoyer, appointed 10<sup>th</sup> August 2015

### Principal and Registered Office:

Suite 4, Level 3  
66 Berry Street  
North Sydney NSW 2060  
Telephone: +61 2 9922 1266  
Facsimile: +61 2 9922 1288

### Share Registry:

Boardroom Pty Limited  
Level 12, 225 George Street,  
Sydney NSW 2000

### Auditors:

Rothsay Audit & Assurance Pty Ltd  
Level 1/12 O'Connell Street  
Sydney NSW 2000

### Stock Exchange Listing:

Securities in Golden Cross Resources Limited are quoted on the Australian Securities Exchange (Ticker code: GCR)

## Directors' Report

Your Directors present their report on the consolidated entity consisting of Golden Cross Resources Ltd ("Golden Cross" or the "Company") and the entities it controlled at the end of, or during, the half-year ended 31 December 2018.

### Directors

The following people were Directors of Golden Cross during the whole of the half-year and up to the date of this report, unless otherwise stated:

Ken Hellsten	(Chairman)
Xiaoming Li	(Non-Executive Director)
Yuanheng Wang	(Non-Executive Director)
Yan Li	(Alternate Director for Xiaoming Li)
Neil Fearis	(Non-Executive Director) (Resigned 21 January 2019)

### Review and Results of Operations

The consolidated net loss after income tax for the six months to 31 December 2018 was \$524 thousand (2017: loss of \$531 thousand).

The Company continued its principal activity of minerals exploration and development of precious and base metals projects in Australia.

### Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration to the Directors as required under Section 307C of the *Corporations Act 2001* is set out on page 5.

### Rounding

The Company is of a kind referred to in ASIC Corporations Instrument 2016/191 issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the Directors' Report and Financial Report. Amounts in the Directors' Report and Financial Report have been rounded off to the nearest thousand dollars in accordance with that Corporations Instrument.

Signed in accordance with a resolution of the Board of Directors.



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Ken Hellsten  
Chairman  
Sydney  
13 March 2019

## AUDITOR'S INDEPENDENCE DECLARATION

To: The Directors of Golden Cross Resources Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2018 there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Golden Cross Resources Limited and the entities controlled during the half – year.

**Rothsay Audit & Assurance Pty Ltd**

**Michael Payne**

Director

Sydney, 13 March 2019

## Statement of Comprehensive Income For the half-year ended 31 December 2018

	Notes	Consolidated	
		6 months to 31 Dec 2018 \$'000	6 months to 31 Dec 2017 \$'000
Interest Income	3	4	3
Other Income	3	8	8
Exploration expenditure	7	(133)	(152)
Other expenses from ordinary activities	4	(287)	(322)
Loss before tax and finance costs		(408)	(463)
Finance costs		(116)	(68)
<b>Loss before income tax</b>		(524)	(531)
<b>Loss after income tax</b>		(524)	(531)
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive loss for the period</b>		(524)	(531)
Basic loss per share (cents)	2	(0.52)	(0.52)
Diluted loss per share (cents)	2	(0.52)	(0.52)

## Statement of Financial Position As at 31 December 2018

	Notes	Consolidated 31 December 2018 \$'000	Consolidated 30 June 2018 \$'000
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash assets		168	212
Trade and other receivables		111	238
Prepayments		41	56
<b>Total Current Assets</b>		<b>320</b>	<b>506</b>
<b>Non-Current Assets</b>			
Property, plant and equipment		3	4
Prepayment		7	7
Exploration and evaluation expenditure	7	11,946	11,820
<b>Total Non-Current Assets</b>		<b>11,956</b>	<b>11,831</b>
<b>Total Assets</b>		<b>12,276</b>	<b>12,337</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Loans from related parties	9	2,865	2,403
Trade and other payables		72	60
Employee entitlements		72	84
<b>Total Current Liabilities</b>		<b>3,009</b>	<b>2,547</b>
<b>Total Non-Current Liabilities</b>		<b>-</b>	<b>-</b>
<b>Total Liabilities</b>		<b>3,009</b>	<b>2,547</b>
<b>NET ASSETS</b>		<b>9,267</b>	<b>9,791</b>
<b>EQUITY</b>			
Issued capital	5	58,247	58,247
Reserves		922	922
Accumulated losses		(49,902)	(49,378)
<b>TOTAL EQUITY</b>		<b>9,267</b>	<b>9,791</b>

## Statement of Changes in Equity

### For the half-year ended 31 December 2018

	Issued Capital	Share-based Compensation Reserve	Net Unrealised Gain Reserve	Accumulated Losses	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Consolidated</b>					
<b>As at 1 July 2018</b>	58,247	922	-	(49,378)	9,791
Total comprehensive loss for the period	-	-	-	(524)	(524)
<b>As at 31 December 2018</b>	58,247	922	-	(49,902)	9,267
<b>Consolidated</b>					
<b>As at 1 July 2017</b>	58,247	922	-	(48,380)	10,789
Total comprehensive loss for the period	-	-	-	(531)	(531)
<b>As at 31 December 2017</b>	58,247	922	-	(48,911)	10,258

## Statement of Cash Flows

### For the half-year ended 31 December 2018

	6 months to 31 Dec 2018 \$'000	6 months to 31 Dec 2017 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Payments to suppliers and employees	(267)	(269)
Other Income	14	2
Interest received	4	3
<b>Net cash outflow from operating activities</b>	<b>(249)</b>	<b>(264)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for Plant and Equipment	(1)	-
Payments for exploration and evaluation	(259)	(347)
<b>Net cash outflow from investing activities</b>	<b>(140)</b>	<b>(347)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Loans from related parties	345	900
<b>Net cash inflow/(outflow) from financing activities</b>	<b>345</b>	<b>900</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>(44)</b>	<b>289</b>
Cash at beginning of reporting period	212	240
<b>CASH AT THE END OF THE REPORTING PERIOD</b>	<b>168</b>	<b>529</b>

## Notes to the Financial Statements For the half-year ended 31 December 2018

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Reporting Entity

Golden Cross Resources Limited ("Golden Cross", the "Company") is a company domiciled in Australia. The consolidated interim financial report of the Company as at and for the half year ended 31 December 2018 comprises the Company and its controlled entities (together referred to as the "Consolidated Entity").

#### Basis of preparation

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Consolidated Entity as the full financial report.

The half-year financial report should be read in conjunction with the annual financial report of Golden Cross as at 30 June 2018.

It is also recommended that the half-year financial report be considered together with public announcements made by Golden Cross during the half-year ended 31 December 2018 in accordance with the continuous disclosure obligations arising under the *Corporations Act 2001*.

The half-year financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, AASB 134 "Interim Financial Reporting" and other mandatory professional reporting requirements.

The half-year financial report has been prepared on an historical cost basis. The carrying value of financial assets and financial liabilities is materially the same as the fair value. The half-year financial report is presented in Australian dollars.

The Company is of a kind referred to in ASIC Corporations Instrument 2016/191 issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the Directors' Report and Financial Report. Amounts in the Directors' Report and Financial Report have been rounded off to the nearest thousand dollars in accordance with that Instrument.

For the purpose of preparing the half-year financial report, the half-year has been treated as a discrete reporting period.

This consolidated interim financial report was approved by the Board of Directors on XX February 2019

#### Going Concern

The Consolidated Entity is involved in the exploration and evaluation of mineral tenements. Further expenditure will be required upon these tenements to ascertain whether they contain economically recoverable reserves.

For the half year ended 31 December 2018, the Consolidated Entity reported a net loss of \$524,000 (31 Dec 2017: \$531,000) and net operating cash outflows of \$249,000 (31 Dec 2017: \$264,000.) The operating cash outflows and investment activities have been funded by cash reserves. As at 31 December 2018, the Consolidated Entity had net current liabilities of \$2,689,000 (30 June 2018 net current liability: \$2,041,000) including cash reserves of \$168,000 (30 June 2018: \$212,000).

The balance of these cash reserves may not be sufficient to meet the Consolidated Entity's expenditure, including exploration activities, and operating and administrative expenditure, for the next 12 months. The Consolidated Entity has exploration commitments over the next 12 months from 1 January 2019 totalling \$312,000 per Note 8 and additional required expenditure. Notwithstanding the above, the financial statements have been prepared on a going concern basis which contemplates the

## **Going Concern (continued)**

continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. To continue as a going concern, the Consolidated Entity requires additional funding to be secured from sources including but not limited to:

- a further equity capital raising,
- the continued support of current shareholders,
- the ability to successfully develop and extract value from its projects, and
- the sale of its interest in exploration projects.

Notwithstanding the deficiency of net assets, the financial report has been prepared on a going concern basis as the Directors have received a guarantee of continued financial support and the Directors believe that such financial support will continue to be made available to enable the company to meet its obligations as and when they become due and payable.

In the event that the assumptions underpinning the basis of preparation do not occur as anticipated, there is significant uncertainty whether the Consolidated Entity will continue to operate as a going concern. If the Consolidated Entity is unable to continue as a going concern it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements.

No adjustments have been made to the financial report relating to the recoverability and classification of the asset carrying amounts or the classification of liabilities that might be necessary should the Consolidated Entity not continue as a going concern.

## **Basis of consolidation**

The consolidated financial statements comprise the financial statements of Golden Cross and its controlled entities.

The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

All intercompany balances and transactions, income and expenses and profit and losses resulting from intra-Consolidated Entity transactions have been eliminated in full.

Subsidiaries are fully consolidated from the date on which control is transferred to the Consolidated Entity and cease to be consolidated from the date on which control is transferred out of the Consolidated Entity.

## **Significant accounting policies**

The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the Consolidated Entity's annual financial statements for the year ended 30 June 2018.

**Significant accounting policies** (continued)

The Following table sets out new Australian Accounting Standards and Interpretations that have been issued but are not yet mandatory and which have not yet been early adopted by the Company for the half yearly reporting period ending 31 December 2018. The Company is in the process of assessing the impact of the new standards.

Reference	Title	Application date of stand	Application date for the Company
AASB 16	<i>Leases</i>	1 January 2019	1 July 2019

All other new Australian Accounting Standards that have been issued but are not yet effective are not expected to have a material impact on the Company.

## 2. LOSS PER SHARE

	HALF-YEAR	
	31 Dec 2018 Cents	31 Dec 2017 Cents
Basic loss per share	(0.52)	(0.52)
Diluted loss per share	(0.52)	(0.52)
	No of Shares	No of Shares
Weighted average number of ordinary shares used as the denominator in calculating basic and dilutive loss per share	101,622,228	101,622,228
Weighted average number of ordinary shares and dilutive potential ordinary shares. By reason of the losses recorded in both periods, dilutive potential ordinary shares are not used in calculating diluted loss per share.	101,622,227	101,622,227

As at 31 December 2018, the weighted average number of options that were not included in the calculation of loss per share as they are antidilutive: Nil (2017: Nil)

	\$'000	\$'000
Loss used in calculating basic loss per share:	524	531
Loss used in calculating diluted loss per share:	524	531

## 3. INCOME

	HALF-YEAR	
	31 Dec 2018 \$'000	31 Dec 2017 \$'000
Interest Received	4	3
Other Income	8	8
<b>Total Income</b>	<b>12</b>	<b>11</b>

## 4. OTHER EXPENSES AND FINANCE COSTS

	HALF-YEAR	
	31 Dec 2018 \$'000	31 Dec 2017 \$'000
Employee costs	90	97
Directors Fees	93	116
Office rent	30	29
Share registry and Stock exchange fees	16	16
Insurance and Communications	18	17
Audit fees and Legal fees	18	25
Other	23	22
<b>Total Other expenses</b>	<b>287</b>	<b>322</b>

## 5. ISSUED CAPITAL

	31 Dec 18 Shares	30 June 18 Shares	31 Dec 17 \$'000	30 June 17 \$'000
Opening Balance	101,622,227	101,622,227	58,247	58,247
Share issues	-	-	-	-
Share Issue Costs	-	-	-	-
Closing Balance	101,622,227	101,622,227	58,247	58,247

## 6. SEGMENT REPORTING

The operating segments are reviewed and managed by the executive team based on the costs incurred for each exploration tenement throughout the reporting period, which are capitalised to operating segment assets. The operating segments identified by the executive team are based on areas of interest. Expenditure incurred and capitalised for the tenement areas are disclosed in Note 7.

No segment revenues are disclosed within the current financial report as each exploration tenement is not at a stage where revenues have been earned.

Expenses included in the statement of comprehensive income which have not been capitalised to operating segment assets are unallocated as they are not considered part of the core operations of any segment.

### OPERATING SEGMENTS

	Copper Hill	Rest of Australia	Total
<b>31 December 2018 – (\$'000)</b>			
Reconciliation of segment net loss after tax to net loss before tax:			
Exploration and Evaluation Impairment	-	(133)	(133)
Total segment net gain/(loss) after tax			(133)
Interest Revenue			4
Other Revenue			8
Depreciation			(1)
Other Costs			(286)
Finance Costs			(116)
Net loss before tax per statement of Comprehensive Income			(524)
	Copper Hill	Rest of Australia	Total
<b>31 December 2017 – (\$'000)</b>			
Exploration and Evaluation Impairment	-	(152)	(152)
Total segment net gain/( loss) after tax			(152)
Interest Revenue			3
Other Revenue			8
Depreciation			(1)
Other Costs			(321)
Finance Costs			(68)
Net loss before tax per statement of Comprehensive Income			(531)

	<b>Copper Hill</b>	<b>Rest of Australia</b>	<b>Total</b>
<b>31 December 2018 – (\$'000)</b>			
Exploration and evaluation expenditure	11,946	-	11,946
Property, plant and equipment	3	-	3
Current and non-current prepayments	23	-	23
<b>Total</b>	<b>11,972</b>	<b>-</b>	<b>11,972</b>
<b>30 June 2018 – (\$'000)</b>			
Exploration and evaluation expenditure	11,820	-	11,820
Property, plant and equipment	4	-	4
Current and non-current prepayments	38	-	38
<b>Total</b>	<b>11,862</b>	<b>-</b>	<b>11,862</b>

	<b>31 Dec 18 \$'000</b>	<b>30 Jun 18 \$'000</b>
<b>Reconciliation to total assets:</b>		
Total assets by reportable segments	11,972	11,862
Cash and cash equivalents	168	212
Trade and other receivables	111	238
Prepayments	25	25
<b>Total assets per Statement of financial position</b>	<b>12,276</b>	<b>12,337</b>

## 7. EXPLORATION AND EVALUATION EXPENDITURE

	<b>HALF YEAR</b>	
	<b>31 Dec 2018 \$'000</b>	<b>31 Dec 2017 \$'000</b>
<i>Exploration Assets</i>		
Costs brought forward	11,820	11,481
Expenditure incurred during the period	259	347
Deferred exploration expenditure written off *	(133)	(152)
Costs carried forward	11,946	11,676
<i>Costs incurred on current areas of interest</i>		
- Burra	27	58
- Copper Hill	126	195
- Delaney's Tank	-	1
- Oolgelima Hill	13	6
- Quidong	25	23
- Kilparney Extended	7	3
- Other Properties	61	58
	259	347

\*During the period a collection of other tenements (\$133k) were written off in full as the licenses have been or are planned to be relinquished or sold.

## 8. COMMITMENTS

Commitments in relation to non-cancellable operating leases contracted for are payable as follows:

	31 Dec 18 \$'000	30 Jun 18 \$'000
<b>Operating Leases</b>		
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:		
Not later than 1 year	40	61
Later than 1 year but not later than 2 years	-	21
Later than 2 years	-	-
Commitments not recognised in the financial statements	40	82

### Exploration Commitments

In order to maintain current rights of tenure to exploration tenements, the economic entity has the following discretionary exploration expenditure requirements up until expiry of the leases. These obligations, which are subject to renegotiation upon expiry of the leases, are not provided for in the financial statements, exclude commitments on tenements farmed out and are payable.

Not later than 1 year	249	458
Later than 1 year but not later than 2 years	63	350
Later than 2 years	-	-
	312	808

## 9. RELATED PARTY TRANSACTIONS

The Company has commitments for 7 loan agreements another related party:

- (1) HQ Mining Resources Holding Pty Ltd (HQM) and the Company entered into a loan agreement on 22 September 2015 for the amount of \$150,000 for a term of 12 months at 0% interest, repayable after the earlier of the company raising \$500,000 through the issue of shares or at the first anniversary date of the loan. On 22 September 2017 this loan was extended for a further 12 months at an interest rate of 9.75%. On 27 July 2018 the repayment of the loan under the new Global Loan Agreement was deferred until 16 July 2019 at the same interest rate. The balance of the loan at 31 December 2018 includes \$33,257 in capitalised interest.
- (2) HQM and the Company entered into a loan agreement on 4 February 2016 for the amount of \$320,000 deliverable in 3 tranches at 9.75% interest, repayable at the earlier of the company raising \$1,500,000 through the issue of shares or at the first anniversary date of the loan. On 27 July 2018 the repayment of the loan under the new Global Loan Agreement was deferred until 16 July 2019 at the same interest rate. The balance of the loan at 31 December 2018 includes \$85,141 in capitalised interest.
- (3) HQM and the Company entered into a loan agreement on 17 August 2017 for the amount of \$200,000 deliverable in 3 tranches at 9.75% interest, repayable after the earlier of the company raising \$2,000,000 through the issue of shares or at the first anniversary date of the loan. On 27 July 2018 the repayment of the loan under the new Global Loan Agreement was deferred until 16 July 2019 at the same interest rate. The balance of the loan at 31 December 2018 includes \$43,538 in capitalised interest.

- (4) HQM and the Company entered into a loan agreement on 8 March 2017 for the amount of \$400,000 deliverable in 5 tranches at 9.75% interest, repayable after the earlier of the company raising \$2,000,000 through the issue of shares or at the first anniversary date of the loan. On the 27 July 2018 the repayment of the loan under the new Global Loan Agreement was deferred until 16 July 2019 at the same interest rate. The balance of the loan at 31 December 2018 includes \$64,056 in capitalised interest.
- (5) HQM and the Company entered into a loan agreement on 14 July 2017 for the amount of \$50,000 deliverable in 1 tranche at 9.75% interest, repayable after the earlier of the company raising \$2,000,000 through the issue of shares or at the first anniversary date of the loan. On the 27 July 2018 the repayment of the loan under the new Global Loan Agreement was deferred until 16 July 2019 at the same interest rate. The balance of the loan at 31 December 2018 includes \$7,145 in capitalised interest.
- (6) HQM and the Company entered into a loan agreement on 18 September 2017 for the amount of \$800,000 deliverable in 5 tranches at 9.75% interest, repayable after the earlier of the company raising \$2,000,000 through the issue of shares or at the first anniversary of the first tranche payment of the loan. On 27 July 2018 the repayment of the loan under the new Global Loan Agreement was deferred until 16 July 2019 at the same interest rate. The balance of the loan at 31 December 2018 includes \$91,436 in capitalised interest.
- (7) HQM and the Company entered into a loan agreement on 30 April 2018 for the amount of \$800,000 deliverable in 4 tranches at 9.75% interest, repayable after the earlier of the company raising \$3,000,000 through the issue of shares or at the first anniversary of the first tranche payment of the loan. On 27 July 2018 the repayment of the loan under the new Global Loan Agreement was deferred until 16 July 2019 at the same interest rate. As at 31 December \$595,000 had been delivered. The balance of the loan at 31 December 2018 includes \$25,219 in capitalised interest.

## 10. SUBSEQUENT EVENTS

The Company is aware of the following significant events that have occurred after the reporting date which require disclosure.

- Neil Fearis resigned as a Director of the Company with effect from the close of business on 21 January 2019. The Board expressed its appreciation to Mr Fearis for his contribution to the Company for the past 3 years.
- HQM has delivered \$177,000 in loan funding since 31 December 2018.

## Directors' Declaration

For the half year ended 31 December 2018

In the Directors opinion:

- (a) the financial statements and notes of the Consolidated Entity are in accordance with the *Corporations Act 2001*, including:
  - (i) giving a true and fair view of the financial position as at 31 December 2018 and the performance for the half year ended on that date of the Consolidated Entity; and
  - (ii) complying with Accounting Standard AASB 134 "Interim Financial Reporting" and the *Corporations Regulations 2001*; and
- (b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to Section 303(5) of the *Corporations Act 2001*.



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Ken Hellsten  
Chairman  
Sydney  
13 March 2019

## INDEPENDENT AUDITOR'S REVIEW REPORT

### INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Golden Cross Resources Limited

#### Report on the Half-Year Financial Report

We have reviewed the accompanying half-year consolidated financial report of Golden Cross Resources Limited, which comprises the consolidated statement of financial position as at 31 December 2018, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising summary of significant accounting policies and other explanatory information, and the directors' declaration comprising Golden Cross Resources Limited and the entities it controlled at the half-year's end or from time to time during the half-year.

#### Directors' Responsibility for the Half-Year Financial Report

The directors of Golden Cross Resources Limited are responsible for the preparation of the consolidated half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express a conclusion on the consolidated half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the Group's financial position as at 31 December 2018 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Golden Cross Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## INDEPENDENT AUDITOR'S REVIEW REPORT (continued)

### Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Golden Cross Resources Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

### Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Golden Cross Resources Limited is not in accordance with the Corporations Act 2001 including:

- a) giving a true and fair view of the Group's financial position as at 31 December 2018 and of its performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

Rothsay Audit & Assurance Pty Ltd



**Michael Payne**  
Director

Sydney, 13 March 2019