

Golden Cross Resources Limited
ABN 65 063 075 178

Half-Year Financial Report

31 December 2019

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Company Particulars

Directors:

Yuanheng Wang, LLB (Hons)
Appointed 28 November 2014
*Acting Chairman from 14 August 2019 to 14 January 2020 and
Non-executive Director*

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

Yan Li, MBA
Appointed 5 July 2010
Alternate Director to Xiaoming Li

Ken Hellsten, BSc (Hons), MAICD, FAusIMM
Appointed Chairman 22 July 2016 resigned 14 August 2019
Chairman and Non-executive Director

Company Secretary

Carl Hoyer, appointed 10th 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:

Automic Pty Ltd
Level 5, 126 Phillip 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 2019.

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:

Yuanheng Wang	(Chairman)
Xiaoming Li	(Non-Executive Director)
Yan Li	(Alternate Director to Xiaoming Li)
Ken Hellsten	(Chairman) resigned 14 August 2019

Review and Results of Operations

The consolidated net loss after income tax for the six months to 31 December 2019 was \$423 thousand (2018: loss of \$524 thousand).

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

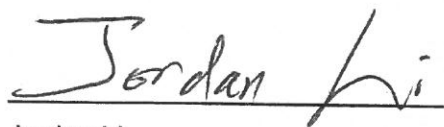
Auditor's Independence Declaration

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.



Jordan Li
Chairman
Sydney

2 March 2020

GOLDEN CROSS RESOURCES LIMITED

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE *CORPORATIONS ACT 2001*

As lead auditor for the review of Golden Cross Resources Limited for the half-year ended 31 December 2019, I declare that, to the best of my knowledge and belief, 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 relation to Golden Cross Resources Limited and the entities it controlled during the half-year.

Rothsay Audit & Assurance Pty Ltd



Frank Vrachas

Director

Sydney, 2 March 2020

Statement of Comprehensive Income For the half-year ended 31 December 2019

	Notes	Consolidated	
		6 months to 31 Dec 2019 \$'000	6 months to 31 Dec 2018 \$'000
Interest Income	3	-	4
Other Income	3	35	8
Exploration expenditure	7	(96)	(133)
Other expenses from ordinary activities	4	(215)	(287)
Loss before tax and finance costs		(276)	(408)
Finance costs		(147)	(116)
Loss before income tax		(423)	(524)
Income tax benefit			
Loss after income tax		(423)	(524)
Other comprehensive income		-	-
Total comprehensive loss for the period		(423)	(524)
Basic loss per share (cents)	2	(0.42)	(0.52)
Diluted loss per share (cents)	2	(0.42)	(0.52)

Statement of Financial Position As at 31 December 2019

	Notes	Consolidated 31 December 2019 \$'000	Consolidated 30 June 2019 \$'000
ASSETS			
Current Assets			
Cash assets		85	97
Trade and other receivables		107	101
Prepayments		30	28
Total Current Assets		222	226
Non-Current Assets			
Property, plant and equipment		42	3
Right of Use – Office Lease		121	-
Exploration and evaluation expenditure	7	12,181	12,067
Total Non-Current Assets		12,344	12,070
Total Assets		12,566	12,296
LIABILITIES			
Current Liabilities			
Loans from related parties	9	3,827	3,249
Trade and other payables		56	60
Right of Use – Office Lease		65	-
Provisions		59	61
Total Current Liabilities		4,007	3,370
Non-Current Liabilities			
Right of Use – Office Lease		56	-
Total Non-Current Liabilities		56	-
Total Liabilities		4,063	3,370
NET ASSETS		8,503	8,926
EQUITY			
Issued capital	5	58,247	58,247
Reserves		922	922
Accumulated losses		(50,666)	(50,243)
TOTAL EQUITY		8,503	8,926

Statement of Changes in Equity For the half-year ended 31 December 2019

	Issued Capital	Share-based Compensation Reserve	Accumulated Losses	Total
	\$'000	\$'000	\$'000	\$'000
Consolidated				
As at 1 July 2019	58,247	922	(50,243)	8,926
Total comprehensive income and expenses for the period	-	-	(423)	
As at 31 December 2019	58,247	922	(50,666)	8,503
Consolidated				
As at 1 July 2018	58,247	922	(49,378)	9,791
Total comprehensive income and expenses for the period	-	-	(524)	(524)
As at 31 December 2018	58,247	922	(49,902)	9,267

Statement of Cash Flows

For the half-year ended 31 December 2019

	6 months to 31 Dec 2019 \$'000	6 months to 31 Dec 2018 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(222)	(267)
Other Income	30	14
Interest received	-	4
Net cash outflow from operating activities	(192)	(249)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for Plant and Equipment	(40)	(1)
Payments for exploration and evaluation	(209)	(259)
Tenement deposit redemption (net)	1	120
Office lease security deposit	(2)	-
Net cash outflow from investing activities	(250)	(140)
CASH FLOWS FROM FINANCING ACTIVITIES		
Loans from related parties	430	345
Net cash inflow/(outflow) from financing activities	430	345
NET INCREASE/(DECREASE) IN CASH HELD	(12)	(44)
Cash at beginning of reporting period	97	212
CASH AT THE END OF THE REPORTING PERIOD	85	168

Notes to the Financial Statements For the half-year ended 31 December 2019

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 2019 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 2019.

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 2019 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 2 March 2020.

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 2019, the Consolidated Entity reported a net loss of \$423,000 (31 Dec 2018: \$524,000) and net operating cash outflows of \$192,000 (31 Dec 2018: \$249,000.) The operating cash outflows and investment activities have been funded by cash reserves. As at 31 December 2019, the Consolidated Entity had net current liabilities of \$3,785,000 (30 June 2019 net current liability: \$3,144,000) including cash reserves of \$85,000 (30 June 2019: \$97,000).

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 2020 totalling \$585,000 per Note 8 and additional required expenditure. Notwithstanding the above, the financial statements have been prepared on a going concern basis which

Going Concern (continued)

contemplates the 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.
- the major shareholder HQ Mining Pty Ltd issued a letter stating that it would provide financial support up to 30 September 2020.

Having carefully assessed the uncertainties relating to the likelihood of securing additional funding, the Consolidated Entity's ability to effectively manage their expenditures and cash flows from operations and the opportunity to farm out participating interests in existing permits, the Directors' consider it appropriate to prepare the financial statements on a going concern basis.

In the event that the assumptions underpinning the basis of preparation do not occur as anticipated, there is a material 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

AASB 16 LEASES

AASB 16 requires the lessee to recognise the right-of-use asset representing its right to use the underlying leased asset and a lease liability representing the present value of its obligation to make lease payments. Rental expense will be replaced by depreciation on the right-of-use asset and interest expense on the lease liability.

Other than above, 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 in the year ended 30 June 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 2019 Cents	31 Dec 2018 Cents
Basic loss per share	(0.42)	(0.52)
Diluted loss per share	(0.42)	(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	101,622,227	101,622,227
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 2019, the weighted average number of options that were not included in the calculation of loss per share as they are antidilutive: Nil (2018: Nil)

	\$'000	\$'000
Loss used in calculating basic loss per share:	423	524
Loss used in calculating diluted loss per share:	423	524

3. INCOME

	HALF YEAR	
	31 Dec 2019 \$'000	31 Dec 2018 \$'000
Interest Received	-	4
Other Income	35	8
Total Income	35	12

4. OTHER EXPENSES AND FINANCE COSTS

	HALF YEAR	
	31 Dec 2019 \$'000	31 Dec 2018 \$'000
Employee costs	84	90
Directors Fees	35	93
Office rent	30	30
Share registry and Stock exchange fees	16	16
Insurance and Communications	17	18
Audit fees and Legal fees	12	17
Other	21	23
Total Other expenses	215	287

5. ISSUED CAPITAL

	31 Dec 19 Shares	30 June 19 Shares	31 Dec 19 \$'000	30 June 19 \$'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
31 December 2019 – (\$'000)			
Reconciliation of segment net loss after tax to net loss before tax:			
Exploration and Evaluation			
Impairment	-	(95)	(95)
Total segment net gain/(loss) after tax			(95)
Interest Revenue			-
Other Revenue			35
Depreciation			(1)
Other Costs			(215)
Finance Costs			(147)
Net loss before tax per statement of Comprehensive Income			(423)
31 December 2018 – (\$'000)			
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
31 December 2019 – (\$'000)			
Exploration and evaluation expenditure	12,181	-	12,181
Property, plant and equipment	42	-	42
Current and non-current prepayments	30	-	30
Total	12,253	-	12,253
30 June 2019 – (\$'000)			
Exploration and evaluation expenditure	12,067	-	12,067
Property, plant and equipment	3	-	3
Current and non-current prepayments	28	-	28
Total	12,098	-	12,098

	31 Dec 19 \$'000	30 Jun 19 \$'000
Reconciliation to total assets:		
Total assets by reportable segments	12,253	12,098
Cash and cash equivalents	85	97
Trade and other receivables	107	101
Right of use asset	121	
Total assets per Statement of financial position	12,566	12,296

7. EXPLORATION AND EVALUATION EXPENDITURE

	HALF YEAR	
	31 Dec 2019 \$'000	31 Dec 2018 \$'000
<i>Exploration Assets</i>		
Costs brought forward	12,067	11,820
Expenditure incurred during the period	210	259
Deferred exploration expenditure written off *	(96)	(133)
Costs carried forward	12,181	11,946
<i>Costs incurred on current areas of interest</i>		
- Burra	12	27
- Copper Hill	114	126
- Oolgelima Hill	5	13
- Quidong	10	25
- Kilparney Extended	13	7
- Other Properties	56	61
	210	259

*During the period a collection of other tenements (\$96k) 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 19 \$'000	30 Jun 19 \$'000
Operating Leases		
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:		
Not later than 1 year	-	20
Later than 1 year but not later than 2 years	-	-
Later than 2 years	-	-
Commitments not recognised in the financial statements	-	20

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	459	122
Later than 1 year but not later than 2 years	63	485
Later than 2 years	63	-
	585	607

9. RELATED PARTY TRANSACTIONS

The Company has commitments for 10 loan agreements with 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%. Subsequent to the year end the repayment of the loan under the new Global Loan Agreement was deferred until 31 July 2020 at the same interest rate. The balance of the loan at 31 December 2019 includes \$47,882 in capitalized 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. Subsequent to the year end the repayment of the loan under the new Global Loan Agreement was deferred until 31 July 2020 at the same interest rate. The balance of the loan at 31 December 2019 includes \$116,255 in capitalised interest.
- (3) HQM and the company entered into a loan agreement on 17th 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. Subsequent to the year end the repayment of the loan under the new Global Loan Agreement was deferred until 31 July 2020 at the same interest rate. The balance of the loan at 31 December 2019 includes \$63,038 in capitalised interest.
- (4) HQM and the company entered into a loan agreement on 8th 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. Subsequent to the year end the repayment of the loan under the new Global Loan

Agreement was deferred until 31 July 2020 at the same interest rate. The balance of the loan at 31 December 2019 includes \$103,056 in capitalised interest.

- (5) HQM and the company entered into a loan agreement on 14th 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. Subsequent to the year end the repayment of the loan under the new Global Loan Agreement was deferred until 31 July 2020 at the same interest rate. The balance of the loan at 31 December 2019 includes \$12,021 in capitalised interest.
- (6) HQM and the company entered into a loan agreement on 18th 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. Subsequent to the year end the repayment of the loan under the new Global Loan Agreement was deferred until 31 July 2020 at the same interest rate. The balance of the loan at 31 December 2019 includes \$169,436 in capitalised interest.
- (7) HQM and the company entered into a loan agreement on 30th 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. Subsequent to the year end the repayment of the loan under the new Global Loan Agreement was deferred until 31 July 2020 at the same interest rate. The balance of the loan at 31 December 2019 includes \$101,512 in capitalised interest.
- (8) HQM and the company entered into a loan agreement on 29th April 2019 for the amount of \$100,000 deliverable in 3 tranches at 9.75% interest, repayable after the earlier of the company raising \$5,000,000 through the issue of shares or at the first anniversary of the first tranche payment of the loan. Subsequent to the year end the repayment of the loan under the new Global Loan Agreement was deferred until 31 July 2020 at the same interest rate. The balance of the loan at 31 December 2019 includes \$5,738 in capitalised interest.
- (9) HQM and the company entered into a loan agreement on 24th July 2019 for the amount of \$220,000 deliverable in 7 tranches at 9.75% interest, repayable after the earlier of the company raising \$5,000,000 through the issue of shares or at the first anniversary of the first tranche payment of the loan. Subsequent to the year end the repayment of the loan under the new Global Loan Agreement was deferred until 31 July 2020 at the same interest rate. The balance of the loan at 31 December 2019 includes \$6,691 in capitalised interest.
- (10) HQM and the company entered into a loan agreement on 14th November 2019 for the amount of \$160,000 deliverable in 2 tranches at 9.75% interest, repayable after the earlier of the company raising \$6,000,000 through the issue of shares or at the first anniversary of the first tranche payment of the loan. Subsequent to the year end the repayment of the loan under the new Global Loan Agreement was deferred until 31 July 2020 at the same interest rate. The balance of the loan at 31 December 2019 includes \$1,239 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.

- Jordan Li was appointed a Director of the company with effect from the close of business on 14 January 2020.
- Golden Cross Resources Ltd ("GCR") completed acquisition of the Coppervale property by its wholly owned subsidiary, Vision Vale Holdings Pty Ltd on 12 February.

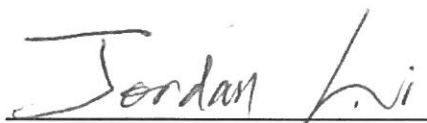
Directors' Declaration

For the half year ended 31 December 2019

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 2019 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*.



Jordan Li
Chairman
Sydney
2 March 2020

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 2019, 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 of the consolidated entity (or "Group") 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.

Emphasis of matter

Without modifying our opinion, we draw attention to Note 1 in the half-year ended financial report, which indicates that the Group incurred a consolidated loss after income tax of \$423,000 for the half-year ended 31 December 2019 and net cash outflows from operating activities were \$192,000. These conditions indicate the existence of a material uncertainty about the Group's ability to continue as a going concern and therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company 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 2019 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.



INDEPENDENT AUDITOR'S REVIEW REPORT (Continued)

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.

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 2019 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

Frank Vrachas

Director

Sydney, 2 March 2020
