



GOLDEN CROSS RESOURCES LTD

ABN 65 063 075 178

**301/66 Berry Street
North Sydney NSW 2060
Phone (02) 9922 1266**

10 November 2020

Dear Shareholders,

Given current health risks created by the coronavirus (COVID-19) pandemic, the Company strongly encourages shareholders to consider participation in the AGM without attending in person. Shareholders may vote by post, email, or appoint proxies with directions on how to vote each item of business, and submit questions in advance of the meeting.

Shareholders who are considering physically attending the AGM should review applicable restrictions on public gatherings and be aware the Company reserves the right to deny entry to ensure the health and safety of all attendees.

Shareholders can submit questions ahead of the AGM to the Company by way of email to carolyn@goldencross.com.au.

This announcement has been authorised by the board of directors of the Company.

Yours faithfully,

Carolyn Jacobs
Company Secretary



All Correspondence to:

✉ **By Mail** Golden Cross Resources Ltd
301/66 Berry Street, North Sydney 2060

📠 **By Fax:** +61 2 9922 1288

💻 **Online:** carolyn@goldencross.com.au

☎ **By Phone:** +61 2 9922 1266

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 2:00pm (AEDT) on Monday 7 December 2020**

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a security holder of the company. Do not write the name of the issuer company or the registered security holder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the security holder.

Joint Holding: where the holding is in more than one name, all the security holders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **2:00pm (AEDT) on Monday, 7 December 2020 (48hrs prior to the meeting)**. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged:

- | | |
|--------------------|---|
| 📠 By Fax | + 61 2 9922 1288 |
| ✉ By Mail | Golden Cross Resources Ltd 301/66 Berry Street North Sydney 2060 |
| 👤 In Person | Golden Cross Resources Ltd Suite 301, 66 Berry Street, North Sydney 2060 |
| 💻 By email | carolyn.jacobs@goldencross.com.au |

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

Golden Cross Resources Ltd

ABN 65 063 075 178

☐

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.

Please note, you cannot change ownership of your securities using this form.

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Golden Cross Resources Ltd** and entitled to attend and vote hereby appoint:

☐

the **Chair of the Meeting** (mark box)

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at **Golden Cross Resources Ltd's office 301/66 Berry Street, North Sydney NSW 2060 on Wednesday, 9 December 2020 at 2:00pm (AEDT)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolutions 2, through to 10, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of these Resolutions even though Resolution 9 is connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolutions 2 through to 10) If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution

If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

STEP 2 VOTING DIRECTIONS

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

| | | FOR | AGAINST | ABSTAIN* | | | FOR | AGAINST | ABSTAIN* |
|--------------|--|--------------------------|--------------------------|--------------------------|---------------|---|--------------------------|--------------------------|--------------------------|
| Res 2 | Re-election of Mr Yuanheng Wang as a Director | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Res 9 | Approve the Remuneration Report | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Res 3 | Election of Mr Jordan G Li as a Director | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Res 10 | Approval of the Additional Placement Facility Under Listing Rule 7.1A | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Res 4 | Election of Mr Yan Li as a Director | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | | |
| Res 5 | Approve the issue of shares to Mr Jordan G Li in lieu of director fees | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | | |
| Res 6 | Approve the issue of Ten Convertible Notes to Mr Yuanheng Wang | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | | |
| Res 7 | Approve the issue of One Convertible Note to Mr Jordan G Li | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | | |
| Res 8 | Approve the issue of One Convertible Note to Mr Bret Ferris | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | | |

STEP 3 SIGNATURE OF SHAREHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2020

GOLDEN CROSS RESOURCES LTD

ABN 65 063 075 178

**301/66 Berry Street
North Sydney NSW 2060
Phone (02) 9922 1266**

NOTICE OF 2020 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2020 Annual General Meeting of the members of Golden Cross Resources Ltd (the **Company**) will be held at 301/66 Berry Street, North Sydney, NSW 2060 at 2.00 pm on 9 December 2020.

1. Financial Report

To receive and consider the Financial Report of the Company and the reports of the Directors and Auditor for the year ended 30 June 2020.

2. Re-election of Mr Yuanheng Wang as a Director

To consider and, if thought fit, to pass, the following as an Ordinary Resolution:

"To re-elect as a Director of the Company Mr Yuanheng Wang being a Director retiring by rotation in accordance with Rule 17.2 of the Company's Constitution who offers himself for re-election."

3. Election of Jordan G Li as a Director

To consider and, if thought fit, to pass, the following as an Ordinary Resolution:

"To re-elect as a Director of the Company Mr Jordan G Li who was appointed by the board as a Director on 25 January 2020 and being a Director retiring by rotation in accordance with Rule 17.2 of the Company's Constitution who offers himself for re-election."

4. Election of Mr Yan Li as a Director

To consider and, if thought fit, to pass, the following as an Ordinary Resolution:

"To re-elect as a Director of the Company Mr Yan Li who was appointed by the board as a Director on 12 March 2020 and being a Director retiring by rotation in accordance with Rule 17.2 of the Company's Constitution who offers himself for re-election."

5. Approval the Issue of Shares to Mr Jordan G Li in lieu of Director Fees

To consider and, if thought fit, to pass, the following as an Ordinary Resolution:

"To approve the issue of 290,000 ordinary fully paid shares at 0.062 cents per share to Mr Jordan G Li (or his nominee) in lieu of part of his director fees with his consent, be approved under and for the purpose of Listing Rule 10.11"

6. Approve the Issue of Ten GCR Convertible Notes to Mr Yuanheng Wang

To consider and, if thought fit, to pass, the following as an Ordinary Resolution:

"That, pursuant to and in accordance with ASX Listing Rules 10.11 and all other purposes, approval is given for the issue of 10 Convertible Notes to Mr Yuanheng Wang on the terms set out in the Explanatory Memorandum accompanying this Notice."

7. Approve the Issue of One GCR Convertible Note to Mr Jordan G Li

To consider and, if thought fit, to pass, the following as an Ordinary Resolution:

“That, pursuant to and in accordance with ASX Listing Rules 10.11 and all other purposes, approval is given for the issue of 1 Convertible Note to Mr Jordan G Li on the terms set out in the Explanatory Memorandum accompanying this Notice.”

8. Approve the Issue of One GCR Convertible Note to Mr Bret Ferris

To consider and, if thought fit, to pass, the following as an Ordinary Resolution:

“That, pursuant to and in accordance with ASX Listing Rules 10.11 and all other purposes, approval is given for the issue of 1 Convertible Note Mr Bret Ferris on the terms set out in the Explanatory Memorandum accompanying this Notice.”

9. Approve the Remuneration Report for the Year ending 2020

To consider and, if thought fit, pass as a non-binding resolution:

“To adopt the Remuneration Report for the year ended 30 June 2020.”

10. Approval of the Additional Placement Capacity

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totaling up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement.”

EXPLANATORY NOTES

Items 1 and 10

Shareholders who elected to receive printed copies of the 2020 Annual Report of the Company (including the Financial Report of the Company and the reports of the Directors and Auditor for the year ended 30 June 2020) will do so simultaneously or will have done so before their receipt of this notice. Those reports are also available on the Company's website www.goldencross.com.au.

Included in the 2020 Annual Report of the Company is the Directors' Report, also included is details of the qualifications, experience, and special responsibilities of Mr Yuanheng Wang, Mr Jordan Li and Mr Li Yan. In the Remuneration Report of the Company, which contains remuneration details of the Directors and Key Management Personnel.

Shareholders will have a reasonable opportunity for discussion of the Remuneration Report at the meeting. While there is a requirement for a formal resolution on this item under section 250R(2) of the *Corporations Act 2001*, the resolution is advisory only. It does not bind the Company or Directors, although Directors will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company.

Voting Exclusion Statement

A voting exclusion applies to this Resolution¹⁰. The Company will disregard any votes cast (in any capacity, whether as proxy or as shareholder) by any of the following:

- a) Key Management Personnel;
- b) Closely Related Parties of Key Management Personnel; and
- c) as a proxy by a member of Key Management Personnel or a Key Management Personnel's Closely Related Party

However, the Company need not disregard a vote if it is:

- i. Cast by a person as proxy appointed in accordance with the directions on the proxy form that specify how the proxy is to vote on Resolution 10; and the vote is not cast on behalf of a person described in subparagraphs (b) above; or
- ii. Cast by the chair of the Meeting as proxy appointed in accordance with the directions of the proxy form for a person who is entitled to vote, and such appointment on the proxy form expressly authorises the chair to exercise the proxy even if the resolution is connected directly with the remuneration report; and the vote is not cast on behalf of a person described in subparagraphs (b) above.

RESOLUTION 5: ISSUE OF SHARES TO MR JORDAN G LI IN LIEU OF DIRECTOR FEES

In order to conserve Company funds, Mr Jordan G Li has given his consent that he will accept 290,000 ordinary fully paid shares in the Company at 0.062 cents per share in lieu of part of his director fees in respect of the part calendar year 2020.

The issue is intended to remunerate and incentivise the director in the amount of \$17,980, being part of his annual remuneration totalling \$50,000 pa.

If shareholders' approval is obtained, the Company plan to issue the shares by 15 December 2020 and in any event no later than one month after the Annual General Meeting.

Golden Cross Resources Ltd is proposing to issue Mr Jordan G Li shares lieu of Director Fees.

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed Company must not issue or agree to issue equity securities to:

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company/responsible entity of the trust pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue falls within Listing Rules 10.11.1 and does not fall within any of the exceptions in Listing Rules 10.12. It therefore requires the approval of Golden Cross Resources Ltd.'s shareholders under Listing Rule 10.11.

If Resolution 5 is passed Golden Cross Resources Ltd will be able to proceed with the Issue of 290,000 Ordinary shares to Mr Jordan G Li in lieu of Director fees.

If Resolution 5 is not passed Golden Cross Resources Ltd will not be able to proceed with the issue and will not issue 290,000 Ordinary Shares in Lieu of Directors Fees to Mr Jordan G Li, and the fees will be paid in cash.

Voting Exclusion Statement

The Company will disregard any votes cast in favour of Resolution 5 by or on behalf of Mr Jordan G Li (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons).

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution

RESOLUTION 6: ORDINARY RESOLUTION TO RE-INSTATE THE TERMS OF TEN CONVERTIBLE NOTES TO MR YUANHENG WANG

An ASX review determined that Listing Rule 10.11 applies because GCR Directors participated in the issue of convertible notes. Accordingly, ASX issued GCR with a letter dated 14 July 2020 in relation to a breach of Listing Rule 10.11, as a shareholder approval had not been sought prior to the issue of the convertible notes.

The Company has applied a holding lock to the convertible notes and agreed to remove all conversion rights from the notes. The notes therefore became unsecured loans.

The terms of the Convertible Notes are set out below:

The Convertible Notes have a face value of \$10,000 per note and mature on 30 January 2021, which may be extended for another year. They are convertible on or before the maturity date into Fully Paid Ordinary Shares in the Company at \$0.024 per share, a 26.3% premium to the last sale price of 1.9 cents per share, or will otherwise become repayable in cash by the Company at the maturity date. Under the Convertible Note Subscription Agreement, dated 30 January 2020, conversion to shares may be affected at any time with two weeks' notice, subject to a 12-month trading restriction on the conversion shares.

Each Convertible Note upon conversion will result in issue of 416,666 shares per note in the Company.

Golden Cross Resources Ltd is proposing to issue Mr Yuanheng Wang Ten Convertible notes.

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listing Company must not issue or agree to issue equity securities to:

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company/responsible entity of the trust pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules
- 10.11.1 to 10.11.4 is such that, in ASX opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue falls within Listing Rules 10.11.1 and does not fall within any of the exceptions in Listing Rules 10.12. It therefore requires the approval of Golden Cross Resources Ltd.'s shareholders under Listing Rule 10.11.

If Resolution 6 is passed Golden Cross Resources Ltd will be able to proceed with the Issue of Ten Convertible Notes to Yuanheng Wang.

If Resolution 6 is not passed Golden Cross Resources Ltd will not be able to proceed with the issue and will not issue Ten Convertible Notes to Mr Yuanheng Wang and therefore the existing debt security will become repayable in cash as per the terms of the Convertible Note Subscription Agreement.

The Company provides the following information pursuant to ASX Listing Rule 10.13

| | |
|---------------------------------|--|
| Number of Securities | 10 GCR Convertible Notes. Each Note convertible into 416,666 Fully Paid Ordinary Shares |
| Price | \$10,000 face value per Convertible Note. No further consideration being payable Conversion price of \$0.024 |
| Terms of Securities | Convertible Notes: Refer to above summary. Fully Paid Ordinary Shares: Fully Paid Ordinary Shares ranking equally with all existing fully paid ordinary shares on issue. |
| Date of Issue | If the shareholders' approval is obtained, the Company plan to issue the shares by 15 December 2020 and in any event no later than one month after the Annual General Meeting. |
| Interest | Interest accrues at a rate of 12% per annum, payable monthly in arrears. |
| Persons Issued To | Mr Yuanheng Wang, Non-Executive Director, is deemed a related party under Listing Rule 10.11.1 |
| Purpose of Issue / Use of Funds | Purchase of Coppervale Property and to increment cash reserves. |
| Voting Exclusion | A voting exclusion statement applies to this Resolution. |

Voting Exclusion Statement

The Company will disregard any votes cast in favour of Resolution 6 by or on behalf of Mr Yuangeng Wang (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons).

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution

RESOLUTION 7: ORDINARY RESOLUTION TO RE-INSTATE THE TERMS OF ONE CONVERTIBLE NOTES TO MR JORDAN G LI

An ASX review determined that Listing Rule 10.11 applies because GCR Directors participated in the issue of convertible notes. Accordingly, ASX issued GCR with a letter dated 14 July 2020 in relation to a breach of Listing Rule 10.11, as a shareholder approval had not been sought prior to the issue of the convertible notes.

The Company has applied a holding lock to the convertible notes and agreed to remove all conversion rights from the notes. The notes therefore became unsecured loans.

Golden Cross Resources Ltd is proposing to issue Mr Jordan G Li One Convertible note.

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listing Company must not issue or agree to issue equity securities to:

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company/responsible entity of the trust pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules
- 10.11.1 to 10.11.4 is such that, in ASX opinion, the issue or agreement should be approved by its shareholders.

unless it obtains the approval of its shareholders.

The issue falls within Listing Rules 10.11.1 and does not fall within any of the exceptions in Listing Rules 10.12. It therefore requires the approval of Golden Cross Resources Ltd.'s shareholders under Listing Rule 10.11.

If Resolution 7 is passed Golden Cross Resources Ltd will be able to proceed with the Issue of One Convertible Notes to Mr Jordan G Li.

If Resolution 7 is not passed Golden Cross Resources Ltd will not be able to proceed with the issue and will not issue One Convertible Notes to Mr Jordan G Li and therefore the existing debt security will become repayable in cash as per the terms of the Convertible Note Subscription Agreement.

The terms of the Convertible Notes are set out below:

The Convertible Notes have a face value of \$10,000 per note and mature on 26 June 2021, which may be extended for another year. They are convertible on or before the maturity date into Fully Paid Ordinary Shares in the Company at \$0.024 per share a 26.3% premium to the last sale price of 1.9 cents per share, or will otherwise become repayable in cash by the Company at the maturity date. Under the Convertible Note Subscription Agreement, conversion to shares may be affected at any time with two weeks' notice, subject to a 12-month trading restriction on the conversion shares.

Each Convertible Note upon conversion at the maturity will result in 416,666 per note in the Company.

The Company provides the following information pursuant to ASX Listing Rule 10.13:

| | |
|---------------------------------|---|
| Number of Securities | 1 GCR Convertible Note. Each Note convertible into 416,666 Fully Paid Ordinary Shares. |
| Price | \$10,000 face value per Convertible Note, no further consideration being payable Conversion price of \$0.024 . |
| Terms of Securities | Convertible Notes: Refer to above summary. Fully Paid Ordinary Shares: Fully Paid Ordinary Shares ranking equally with all existing fully paid ordinary shares on issue. |
| Date of Issue | If shareholders' approval is obtained, the Company plan to issue the shares by 15 December 2020 and in any event no later than one month after the Annual General Meeting |
| Interest | Interest accrues at a rate of 12% per annum, payable monthly in arrears. |
| Persons Issued To | Jordan G Li, Chairman and Non-Executive Director, is a related party under Listing Rule 10.11.1 |
| Purpose of Issue / Use of Funds | To increment cash reserves. |
| Voting Exclusion | A voting exclusion statement applies to this Resolution. |

Voting Exclusion Statement

The Company will disregard any votes cast in favour of Resolution 7 by or on behalf of Mr Jordan G Li (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons).

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution

RESOLUTION 8: ORDINARY RESOLUTION TO RE-INSTATE THE TERMS OF ONE CONVERTIBLE NOTES TO MR BRET FERRIS

An ASX review determined that Listing Rule 10.11 applies because GCR Directors participated in the issue of convertible notes. Accordingly, ASX issued GCR with a letter dated 14 July 2020 in relation to a breach of Listing Rule 10.11, as a shareholder approval had not been sought prior to the issue of the convertible notes.

The Company has applied a holding lock to the convertible notes and agreed to remove all conversion rights from the notes. The notes therefore became unsecured loans.

Golden Cross Resources Ltd is proposing to issue Mr Bret Ferris One Convertible Note.

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listing Company must not issue or agree to issue equity securities to:

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company/responsible entity of the trust pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules
- 10.11.1 to 10.11.4 is such that, in ASX opinion, the issue or agreement should be approved by its shareholders.

unless it obtains the approval of its shareholders.

The issue falls within Listing Rules 10.11.1 and does not fall within any of the exceptions in Listing Rules 10.12. It therefore requires the approval of Golden Cross Resources Ltd.'s shareholders under Listing Rule 10.11.

If Resolution 8 is passed Golden Cross Resources Ltd will be able to proceed with the Issue of One Convertible Notes to Mr Bret Ferris.

If Resolution 8 is not passed Golden Cross Resources Ltd will not be able to proceed with the issue and will not issue One Convertible Notes to Mr Bret Ferris and therefore the existing debt security will become repayable in cash as per the terms of the Convertible Note Subscription Agreement.

The terms of the Convertible Notes are set out below:

The Convertible Notes have a face value of \$10,000 per note and mature on 26 June 2021, which may be extended for another year. They are convertible on or before the maturity date into Fully Paid Ordinary Shares in the Company at \$0.024 per share a 26.3% premium to the last sale price of 1.9 cents per share, or will otherwise become repayable in cash by the Company at the maturity date.

Under the Convertible Note Subscription Agreement, conversion to shares may be affected at any time with two weeks' notice, subject to a 12-month trading restriction on the conversion shares.

Each Convertible Note upon conversion at the maturity will result in 416,666 per note in the Company.

The Company provides the following information pursuant to ASX Listing Rule 10.13:

| | |
|---------------------------------|---|
| Number of Securities | 1 GCR Convertible Note. Each Note convertible into 416,666 Fully Paid Ordinary Shares. |
| Price | \$10,000 face value per Convertible Note, no further consideration being payable Conversion price of \$0.024 |
| Terms of Securities | Convertible Notes: Refer to above summary. Fully Paid Ordinary Shares: Fully Paid Ordinary Shares ranking equally with all existing fully paid ordinary shares on issue. |
| Date of Issue | If shareholders' approval is obtained, the Company plan to issue the shares by 15 December 2020 and in any event no later than one month after the Annual General Meeting |
| Interest | Interest accrues at a rate of 12% per annum, payable monthly in arrears. |
| Persons Issued To | Bret Ferris, Acting CEO and Contract Exploration Manager of the Company, is a related party under Listing Rule 10.11.1 |
| Purpose of Issue / Use of Funds | To increment cash reserves. |
| Voting Exclusion | A voting exclusion statement applies to this Resolution. |

Voting Exclusion Statement

The Company will disregard any votes cast in favour of Resolution 8 by or on behalf of Mr Bret Ferris (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons).

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution

RESOLUTION 10: APPROVAL OF THE ADDITIONAL 10% PLACEMENT CAPACITY UNDER LISTING RULE 7.

General

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

Listing Rule 7.1A provides that an Eligible Entity may seek shareholder approval by way of a special resolution passed at its Annual General Meeting to increase this 15% limit by an additional 10% to total 25% (**Additional 10% Placement Capacity**).

An 'eligible entity' means an entity that is not included in the S&P/ASX300 Index and which has a market capitalisation of \$300 million or less. The Company is an eligible entity for these purposes as its market capitalisation as at 21 October 2020 was approximately \$1.9 million.

Resolution 10 seeks shareholder approval by way of special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue equity securities without shareholder approval.

If Shareholders approve Resolution 11, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2.

The effect of passing Resolution 10 will be to allow the Company to issue Equity Securities up to a combined limit of 25% pursuant to Listing Rules 7.1 and 7.1A without any further shareholder approval. If Resolution 10 is passed the Company will be permitted to issue Equity Securities up to additional 10% of the Company's fully paid ordinary securities on issue under the Additional 10% Placement Capacity during the period up to a maximum of 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

Resolution 10 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders entitled to vote on the Resolution must be in favour of Resolution 11 for it to be passed.

If Resolution 10 is not passed, the Company will not be able to access the additional 10% capacity to issue equity securities without shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without shareholder approval set out in Listing Rule 7.1.

ASX Listing Rule 7.1A

Listing Rule 7.3A.1: A statement of the period for which the approval will be valid.

An approval under this rule 7.1A commences on the date of the Annual General Meeting at which the approval is obtained and expires on the first of the following to occur:

- the date that is 12 months after the date of the Annual General Meeting at which the approval is obtained; or
- the time and date of the entity's next annual general meeting; or
- the time and date of the approval by ordinary shareholders of a significant change to the Company's activities under ASX Listing Rule 11.1.2 or 11.2.

Listing Rule 7.3A.2: A statement of the minimum price at which the equity securities may be issued under rule 7.1A.2.

Any equity securities issued under rule 7.1A.2 must be in an existing quoted class of the eligible entity's equity securities and issued for a cash consideration per security which is not less than 75% of the volume weighted average market price for securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- the date on which the price at which the securities are to be issued is agreed is agreed by the entity and the recipient of the securities; or
- if the securities are not issued within 10 trading days of the date above, the date on which the securities are issued.

Equity securities that may be issued under listing rule 7.1A will only be in an existing quoted class of securities.

Listing Rule 7.3A.3: A statement of the purposes for which the funds raised by an issue of equity securities under rule 7.1A.2 may be used.

The Company may only issue equity securities under the Additional 10% Placement Capacity for cash consideration to raise funds for the development of the Company's existing assets, the acquisition of new assets or investments (including assets associated with such acquisition), to repay debt or to fund working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 upon issue of any equity securities under the Additional Placement Capacity.

Listing Rule 7.3A.4: the company would like to remind all shareholders the risk of economic and voting dilution to existing ordinary security holders that may results from an issue of equity securities under rule 7.1A.2 including the risk that:

The issue of equity securities under the Additional 10% Placement Capacity may result in voting dilution of existing ordinary shareholders (as shown in the table below). There is also the risk that:

- the market price for equity securities in that class may be significantly lower on the issue date than on the date of the Annual General Meeting; and
- the equity securities may be issued at a price that is at a discount to the market price for those equity securities on the issue date.

Table 1 below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A.2 on the basis of the last sale price of Shares and the current number of ordinary securities quoted on ASX for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

The table also shows:

(i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting;

(ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% against the last sale price of \$0.019; and

(iii) a way of further example where the issue price of ordinary securities is \$0.075.

Table 1

| Issued Capital (Variable 'A' in ASX Listing Rule 7.1A2) | Dilution | | | | |
|--|-------------------------------------|--|------------------------|--|------------------------|
| | Issue Price (per Share) | \$0.0095 50% decrease in Issue Price | \$0.019 Issue Price | \$0.038 100% increase in Issue Price | \$0.075 Issue Price |
| 101,622,227 (current issued shares) | Shares issued - 10% voting dilution | 10,162,233 | 10,162,233 | 10,162,233 | 10,162,233 |
| | Funds raised | \$96,541 | \$193,082 | \$386,164 | \$762,167 |
| 152,433,341 (Current plus 50%) | Shares issued - 10% voting dilution | 15,243,334 | 15,243,334 | 15,243,334 | 15,243,334 |
| | Funds raised | \$144,812 | \$289,623 | \$579,247 | \$1,143,250 |
| 203,244,454 (100% increase in Issued Capital) | Shares issued - 10% voting dilution | 20,324,445 | 20,324,445 | 20,324,445 | 20,324,445 |
| | Funds raised | \$193,082 | \$386,164 | \$772,329 | \$1,524,333 |

The above table is based on the following assumptions:

- The number of shares on issue (Variable "A") is calculated as 101,622,227 being all the fully paid ordinary shares on issue as at the date of this Notice.
- The Company issues the maximum number of equity securities available under the Additional Placement Capacity.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue.
- The table shows only the issue of equity securities under the Additional Placement Capacity and not under Listing Rule 7.1.
- The issue of equity securities under the Additional Placement Capacity includes only Shares.
- The issue price of \$0.019 was the closing price of shares on ASX on 16 August 2019.
- The issue price of \$0.075 is shown by way of example only.

Listing Rule 7.3A.5: Details of the eligible entity's allocation policy for issues under rule 7.1A.2.

The Company's allocation policy for issues under the Additional Placement Capacity is dependent on prevailing market conditions at the time of any proposed issue. The identity of the allottees of the equity securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- the purpose of the issue;
- the methods of raising funds that are available to the Company, including rights issues or other issues in which existing shareholders may participate;

- the effect of the issue of the equity securities on the control of the Company;
- the financial situation and solvency of the Company;
- prevailing market conditions; and
- advice from the Company's advisors.

The Company has not issued any equity securities under Listing Rule 7.1A.2 in the past 12 months preceding the date of the AGM.

- the number of issues it intends to make under the mandate and the time frame over which they will be made

The Company confirms that no equity securities under Listing Rule 7.1A.2 have been issued in the 12 months preceding and at the time of dispatching the Notice of Meeting.

As the Company has no current plans to undertake a new capital raising using its additional 10% placement capacity, the allottees under the Additional Placement Capacity have not yet been determined but if such an exercise was undertaken, allottees may include existing substantial shareholders and/or new shareholders who are not related parties or associates of a related party of the Company

VOTING ENTITLEMENTS

In accordance with Regulation 7.11.37 of the Corporations Regulations, the Company has determined that for the purposes of the meeting, shares will be taken to be held by those persons recorded on the Company's share register at 2.00 pm Sydney time on Monday 7 December 2020 (48 hours prior to the meeting). This means that any person not the registered holder of a relevant share at that time will not be entitled to attend and vote at the meeting.

PROXIES

A member entitled to attend and vote is entitled to appoint not more than two persons as his or her proxy to attend and vote instead of the member. A proxy need not be a member of the Company. If more than one proxy is appointed, the proxy form may specify the proportion or number of the member's votes that each proxy may exercise. If the proxy form does not specify a proportion or number of votes then each proxy may exercise half of the member's votes.

To be effective, proxy forms must be received by the Company at the address or email appearing on this notice at least 48 hours before the time for commencement of the meeting.