



20 April 2022

ASX Market Announcements

COPPER HILL RESOURCE REVIEW UPDATE

Following reinstatement to quotation on 18 February 2022, Golden Cross engaged H&S Consultants (“HSC”), who have extensive experience of porphyry style mineralisation, and long term familiarity with Copper Hill, to review the resource estimate history at Copper Hill.

The purpose was to comment on a potential re-estimation, if warranted, from a review of various criteria, along with recommendations for additional drilling that may be required to bring peripheral zones of mineralisation into a future resource estimate update.

The last resource estimate for Copper Hill was undertaken in March 2015 (see ASX Announcement on 24 March 2015) following prior estimates in 2011. Higher metal prices since 2015 have a potentially positive impact on the economic viability of the lower grade envelop surrounding central areas of the Copper Hill deposit. The update is also to review the rationale and outcome of the 2015 resource estimate, and reinstate if appropriate most of, if not more than, the larger 2011 estimate (*refer to Appendix 1: Resource Review for Copper Hill Project – Executive Summary, H&S Consultants Pty Ltd 19 April 2022*).

The review recommendations may contribute substantially to the design of further feasibility studies.

HSC have finalised a brief formal review of the 2015 Mineral Resource Estimate (MRE) and an Executive Summary of the Review is attached (Appendix 1).

The major recommendations of the HSC review are:

1. Historical core holes with long assay intervals should be admitted to the MRE, providing the data is unbiased and particularly if there is no other information available nearby.
2. Hard grade domain boundaries should not be used in the estimation of metal grade distributions at Copper Hill.
3. HSC advocates considering the resource classification on a local basis. This approach would likely result in the reinstatement of at least part of the pre-2015 Measured Mineral Resources.
4. The Copper Hill MRE should be re-estimated, implementing the recommendations listed.

A quotation for undertaking the re-estimation work is under consideration.



Competent Person Statement: *The information in this report that relates to Exploration Results is based on information compiled by Mr Bret Ferris, who is a Member of the Australasian Institute of Geoscientists (AIG). Mr Ferris is an exploration consultant to, and Acting CEO of, Golden Cross Resources Limited and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Ferris consents to the inclusion in this report of the matters based on that information in the form and context in which it appears.*

Forward-Looking Statement

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning planned exploration program and other statements that are not historical facts. When used in this document, the words such as “could”, “plan”, “estimate”, “expect”, “intend”, “may”, “potential”, “should” and similar expressions are forward-looking statements. Although Golden Cross Resources Ltd believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

This announcement is authorised by the Board of Golden Cross Resources Ltd.

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Reference to Original ASX Releases

27 June 2011 – “New Copper Hill Resource Estimate”
13 December 2011 – “Copper Hill Optimised Pits – Resource Estimate”
24 March 2015 – “Copper Hill Resource Estimate”

APPENDIX 1.

Resource Review for Copper Hill Project – Executive Summary
H&S Consultants Pty Ltd 19 April 2022

20 April 2022

Mr Bret Ferris
Exploration Manager
Golden Cross Resources
(by email)

Resource Review for Copper Hill Project -Executive Summary

H&S Consultants Pty Ltd (HSC) was engaged by Golden Cross Resources (GCR) to perform a review of the 2015 Mineral Resource Estimate (MRE) for the Copper Hill deposit. HSC has extensive experience with porphyry style mineralisation and long term knowledge of the Copper Hill Project.

The 2015 MRE for Copper Hill halved the tonnage of the previous 2011 MREs at a 0.2% Cu cut-off grade, although it has around 90% of the 2011 MREs tonnage at 0.4% Cu cut-off grade. The 2015 MRE also downgraded the resource classification to only Indicated and Inferred, whereas the 2011 MREs included 45% of tonnage classified as Measured. Therefore, the 2015 MRE represents a substantial setback in the size and quality of Copper Hill MRE.

There are significant differences in the geological interpretation and modelling approach between the 2011 and 2015 MREs, and there has been no formal audit or review of the 2015 MRE by an independent party until now.

HSC reviewed available information and focussed on two main areas:

1. Differences in the geological interpretation and modelling approach between the 2011 and 2015 MREs that impact on resource tonnage,
2. Reasons for downgrading the MRE classification.

The 2015 MRE appears to be constrained using a number of different grade boundaries, which appears more appropriate for a WA gold deposit, rather than a copper porphyry. The main issue with the resource classification seems to be data quality and reliability, particularly for historical information.

Table 1 shows that the two 2011 MREs are quite similar despite the addition of substantially (+27%) more holes between June and December. The 2015 MRE represents a substantial reduction in resource tonnage and metal, particularly at the 0.2% copper cut-off grade, for the addition of 6/753 (+0.8%) new holes and the removal of eight historical core holes.

Table 1: Comparison of MRE Classification inside Pit Shells

Cut-off Grade		0.2 % Copper			0.4 % Copper		
Estimate		June 2011	Dec 2011	Mar 2015	June 2011	Dec 2011	Mar 2015
Measured	Mt	73	70		17	17	
	Cu%	0.35	0.35		0.57	0.56	
	g/t Au	0.32	0.32		0.54	0.55	
Indicated	Mt	68	51	47	10	9	19
	Cu%	0.31	0.31	0.40	0.49	0.50	0.59
	g/t Au	0.25	0.25	0.39	0.32	0.36	0.62
Inferred	Mt	22	31	39	4	4	9.2
	Cu%	0.31	0.29	0.32	0.54	0.47	0.51
	g/t Au	0.22	0.21	0.24	0.28	0.27	0.35
Total	Mt	163	153	87	31	30	28.2
	% Meas	45%	46%	0%	55%	57%	0%
	%M&Ind	87%	80%	55%	87%	87%	67%

HSC made a number of conclusions, including:

1. The use of hard grade boundaries at Copper Hill is considered inappropriate for the style of mineralisation and this is probably the main contributing factor to the major downgrade in resource tonnage at lower cut-off grades in 2015.
2. The global approach of 2015 resource classification scheme is considered to be overly conservative.
3. The exclusion of historical diamond core holes because of long assay intervals is considered unwarranted.

The major recommendations of the review were:

1. Hard grade domain boundaries should not be used in the estimation of metal grade distributions at Copper Hill.
2. HSC advocates considering the resource classification on a local basis, which would likely result in the reinstatement of at least part of the pre-2015 Measured Mineral Resources.
3. Historical core holes with long assay intervals should be used in the MRE, providing the data is unbiased and particularly if there is no other information available nearby.
4. The Copper Hill MRE should be re-estimated, implementing the recommendations listed above.

Arnold van der Heyden
Principal Consultant and Managing Director