

HQ Mining Resources Holding Pty Ltd

ABN 38 133 870 256

Second Supplementary Bidder's Statement

1 Introduction

This document is a supplementary bidder's statement under section 643 of the *Corporations Act 2001* (Cth). It is the second supplementary bidder's statement (**Second Supplementary Bidder's Statement**) issued by HQ Mining Resources Holding Pty Ltd ABN 38 133 870 256 (**HQ Mining**) in relation to its off-market takeover bid for all the ordinary shares in Golden Cross Resources Ltd ABN 65 063 075 178 (**Golden Cross**) which it does not already own. This Second Supplementary Bidder's Statement supplements, and should be read together with, HQ Mining's first supplementary bidder's statement dated 9 December 2015 and HQ Mining's bidder's statement dated 24 November 2015 (**Original Bidder's Statement**).

This Second Supplementary Bidder's Statement has been prepared to provide additional information to Shareholders.

Unless otherwise defined, capitalised terms in this Second Supplementary Bidder's Statement have the same meaning given to them in the Original Bidder's Statement.

2 Conditional increase in Offer Price to 8.25 cents per Share

HQ Mining's Offer Price is currently 7.0 cents per Share. Provided that none of the resolutions at the Golden Cross Annual General Meeting that relate to the issue of new Securities¹ are approved by Shareholders, HQ Mining will increase the Offer Price from 7.0 cents per Share to 8.25 cents per Share.

In relation to the conditional increase in HQ Mining's Offer Price:

- HQ Mining will fund the additional cash consideration from the loan from Mr Xiaoming Li described in section 6.2 of the Original Bidder's Statement. The maximum consideration payable by HQ Mining, assuming the higher price of 8.25 cents per Share, is approximately \$6,388,920; and
- where the calculation of the consideration to be paid to a particular Shareholder would result in the Shareholder becoming entitled to a fraction of a cent, the fractional entitlement will be rounded down to the nearest whole cent.

HQ Mining confirms that the conditional Offer Price of 8.25 cents per Share is HQ Mining's best and final offer and that HQ Mining will not further increase the Offer Price.

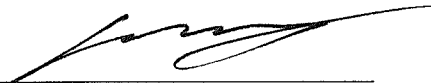
The Offer remains subject to the conditions outlined in section 10.7 of the Original Bidder's Statement.

3 Other notices

A copy of this Second Supplementary Bidder's Statement has been lodged with ASIC. Neither ASIC nor any of its officers take any responsibility for its contents.

¹ Other than the issue of 543,734 Shares to Ken Hellsten under the terms of his employment contract.

Signed for and on behalf of HQ Mining following a resolution of the directors of HQ Mining.

sign here ► 
Xiaoming Li
Director

date 16 DECEMBER 2015