GOLDEN CROSS RESOURCES INC.

INTERIM FINANCIAL STATEMENTS

For the Six Months Ended March 31, 2011

(Unaudited – Prepared by Management)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

GOLDEN CROSS RESOURCES INC.
BALANCE SHEETS
(Unaudited – Prepared by Management)

	March 31, 2011	September 30, 2010
ASSETS		
Current		
Cash	$ 197,072	$ 185,257
Receivables	8,372	2,334
Prepaid expenses	-	1,083
	205,444	188,674
Mineral property (Note 3)	37,500	37,500
Website development costs	2,000	2,400
	$ 244,944	$ 228,574
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	$ 9,042	$ 7,241
Shareholders' equity		
Capital stock (Note 4)	836,692	761,215
Contributed surplus (Note 4)	132,052	35,102
Share subscription proceeds (Note 9)	40,000	35,102
Deficit	(772,842)	(574,984)
	235,902	221,333
	$ 244,944	$ 228,574

Nature and continuance of operations (Note 1)

Subsequent event (Note 9)

On behalf of the Board:

"Thomas Kennedy" Director *"Lance Morginn"* Director

The accompanying notes are an integral part of these financial statements.

GOLDEN CROSS RESOURCES INC.
STATEMENTS OF OPERATIONS AND DEFICIT
(Unaudited – Prepared by Management)

	Three Months Ended March 31, 2011	Three Months Ended March 31, 2010	Six Months Ended March 31, 2011	Six Months Ended March 31, 2010
EXPENSES				
Accounting and administration	$ 5,800	$ 3,320	$ 7,525	$ 6,320
Consulting fees	455	-	5,455	-
Mineral exploration costs (Note 3)	601	844	2,755	3,221
Office, rent and miscellaneous	6,015	3,287	14,147	7,976
Professional fees	20,142	9,200	30,205	21,452
Stock-based compensation	127,427	-	127,427	-
Transfer agent and filing fees	6,524	5,563	10,344	8,530
Net loss for the period	(166,964)	(22,214)	(197,858)	(47,499)
Deficit, beginning of period	(605,878)	(497,285)	(574,984)	(472,000)
Deficit, end of period	$ (772,842)	$ (519,499)	$ (772,842)	$ (519,499)
Basic and diluted loss per share	$ (0.01)	$ (0.00)	$ (0.02)	$ (0.01)
Weighted average number of common shares outstanding	13,605,391	9,336,502	13,409,029	9,336,502

The accompanying notes are an integral part of these financial statements.

GOLDEN CROSS RESOURCES INC.
STATEMENTS OF CASH FLOWS
(Unaudited – Prepared by Management)

	Three Months Ended March 31, 2011	Three Months Ended March 31, 2010	Six Months Ended March 31, 2011	Six Months Ended March 31, 2010
CASH FLOWS FROM OPERATING ACTIVITIES				
Net loss for the period	$ (166,964)	$ (22,214)	$ (197,858)	$ (47,499)
Items not affecting cash:				
Amortization of website development costs	200	-	400	-
Stock-based compensation	127,427	-	127,427	-
Changes in non-cash working capital items:				
Receivables	(4,295)	5,420	(6,038)	4,243
Prepaid expenses	-	(750)	1,083	(750)
Accounts payable and accrued liabilities	1,667	(1,316)	1,801	(1,086)
Cash used in operating activities	(41,965)	(18,860)	(73,185)	(45,092)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from issuance of capital stock	40,000	-	45,000	-
Share subscription proceeds	40,000	-	40,000	-
Cash provided by financing activities	80,000	-	85,000	-
Change in cash during the period	38,035	(18,860)	11,815	(45,092)
Cash, beginning of period	159,037	53,300	185,257	79,532
Cash, end of the period	$ 197,072	$ 34,440	$ 197,072	$ 34,440

Supplemental disclosures with respect to cash flows (Note 5)

The accompanying notes are an integral part of these financial statements.

1. NATURE AND CONTINUANCE OF OPERATIONS

Golden Cross Resources Inc. (the "Company") was incorporated on June 20, 2006 in British Columbia under the Business Corporations Act. The Company is primarily engaged in the acquisition, exploration, development and production of mineral properties.

The Company is in the process of exploring and developing its mineral properties and has not yet determined whether the mineral properties contain ore reserves that are economically recoverable. The recoverability of the amounts shown for mineral properties and related deferred exploration costs are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production.

These financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing on reasonable terms and to commence profitable operations in the future. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in which case the Company may be unable to meet its obligations. Should the Company be unable to realize its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the balance sheets. These financial statements do not include adjustments that would be necessary should the Company be unable to continue as a going concern. These adjustments could be material.

	March 31, 2011	September 30, 2010
Working capital	$ 196,402	$ 181,433
Deficit	(772,842)	(574,984)

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

These unaudited interim financial statements of the Company have been prepared in accordance with Canadian generally accepted accounting principles. Certain information and disclosures normally required to be included in the notes to the annual financial statements have been condensed or omitted. The interim financial statements should be read in conjunction with the audited financial statements for the year ended September 30, 2010 together with the notes thereto. The interim financial statements have been prepared following the same accounting policies and methods of computation as the audited financial statements for the year ended September 30, 2010 except as disclosed below.

Comparative figures

Certain comparative figures have been reclassified to conform to the current period’s presentation.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Future accounting changes

International financial reporting standards ("IFRS")

In January 2006, the CICA's Accounting Standards Board ("AcSB") formally adopted the strategy of replacing Canadian GAAP with international financial reporting standards ("IFRS") for Canadian enterprises with public accountability ("PAEs"). The current conversion timetable calls for financial reporting under IFRS for accounting periods commencing on or after January 1, 2011. The use of IFRS will be required in 2011 for publicly accountable profit-oriented enterprises. For these entities, IFRS will be required for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of October 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended September 30, 2011. The Company is currently evaluating the impact that this new standard may have on the financial statements of the Company.

Business Combinations, Non-controlling Interest and Consolidated Financial Statements

In January 2009, the CICA issued Handbook Sections 1582, Business Combinations, Section 1601, Consolidated Financial Statements, and Section 1602, Non-controlling Interests, which replace CICA Handbook Sections 1581, Business Combinations, and Section 1600, Consolidated Financial Statements. Section 1582 establishes standards for the accounting for business combinations that is equivalent to the business combination accounting standard under IFRS. Section 1582 is applicable for the Company's business combinations with acquisition dates on or after January 1, 2011. Section 1601 together with Section 1602 establishes standards for the preparation of consolidated financial statements. Section 1601 is applicable for the Company's interim and annual financial statements for its fiscal year beginning October 1, 2011. Early adoption of these Sections is permitted and all three Sections must be adopted concurrently.

3. MINERAL PROPERTIES

	Balance, September 30, 2009	Additions/ (Recoveries)	Balance, September 30, 2010	Additions/ (Recoveries)	Balance, March 31, 2011
Holy Cross Property					
Acquisition costs					
Cash payment	$ 25,000	$ -	$ 25,000	$ -	$ 25,000
Share payment	12,500	-	12,500	-	12,500
	$ 37,500	$ -	37,500	$ -	$ 37,500

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties is in good standing.

3. MINERAL PROPERTIES (cont'd…)

On September 26, 2006, the Company entered into a property purchase agreement with Aegean Marine Consultants Ltd. ("Aegean") pursuant to which the Company acquired a 100% interest in the Holy Cross mineral resource property located in the Omineca Mining Division of British Columbia, Canada, in consideration of a cash payment of $25,000 and issuance of 5,000,000 common shares of the Company with a value of $12,500. Aegean is controlled by a former Officer and Director of the Company.

The following exploration expenditures were charged to operations during the six months ended March 31:

	2011	2010
Geological consulting	$ 1,817	$ 2,002
IP and magnetometer survey	187	844
Mapping	751	375
	$ 2,755	$ 3,221

4. CAPITAL STOCK AND CONTRIBUTED SURPLUS

	Number of Shares	Amount	Contributed Surplus
Authorized			
Unlimited number of common shares without par value			
Unlimited number of preferred shares without par value			
Issued			
Balance, September 30, 2009	9,336,502	$ 585,425	$ 4,625
Private placements	3,100,000	155,000	-
Exercise of warrants	700,000	35,000	-
Stock-based compensation	-	-	30,477
Future income taxes on exploration expenditures renounced to flow-through shareholders	-	(14,210)	-
Balance, September 30, 2010	13,136,502	761,215	35,102
Exercise of stock options	900,000	75,477	(30,477)
Stock-based compensation	-	-	127,427
Balance, March 31, 2011	14,036,502	$ 836,692	$ 132,052

The Company has no preferred shares issued and outstanding at September 30, 2010 and March 31, 2011.

Escrowed shares

As at March 31, 2011, 223,685 of the Company's issued common shares were held in escrow and will be released on June 25, 2011.

4. CAPITAL STOCK AND CONTRIBUTED SURPLUS (cont'd…)

Share issuance

During the six month period ended March 31, 2011, the Company:

a) Issued 900,000 common shares at a price of $0.05 per share from the exercise of stock options for gross proceeds of $45,000. Accordingly, $30,477 was transferred from contributed surplus to capital stock.

b) Received share subscription proceeds of $40,000 from the private placement completed subsequent to March 31, 2011.

During the year ended September 30, 2010, the Company:

a) Completed a non-brokered private placement of 3,000,000 units at a price of $0.05 per unit for gross proceeds of $150,000. Each unit is comprised of one common share and one share purchase warrant; each share purchase warrant entitles the holder to acquire one additional common share at a price of $0.05 until August 27, 2012.

b) Completed a non-brokered private placement of 100,000 units at a price of $0.05 per unit for gross proceeds of $5,000. Each unit is comprised of one common share and one share purchase warrant; each share purchase warrant entitles the holder to acquire one additional common share at a price of $0.05 until September 10, 2012.

c) Issued 700,000 common shares at $0.05 per share from the exercise of warrants for gross proceeds of $35,000.

Stock options

The Company has a stock option plan under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common shares of the Company. Under the plan, the exercise price of each option shall not be less than the greater of the closing market price of the Company's shares on (a) the trading day immediately prior to the day of the grant, and (b) the date of the grant. The options can be granted for a maximum term of 10 years and vest as determined by the board of directors.

Stock option transactions are summarized as follows:

	Number of Options	Weighted Average Exercise Price
Balance, September 30, 2009	-	$ -
Options granted	900,000	0.05
Balance, September 30, 2010	900,000	0.05
Options granted	1,400,000	0.18
Options exercised	(900,000)	0.05
Balance, March 31, 2011	1,400,000	$ 0.18
Exercisable at March 31, 2011	1,400,000	$ 0.18
Weighted average fair value of options granted during the period	$ 0.09	(2010 - $nil)

4. CAPITAL STOCK AND CONTRIBUTED SURPLUS (cont'd…)

Stock options (cont'd…)

As at March 31, 2011 the following stock options were outstanding:

Number of Options	Exercise Price	Expiry Date
1,400,000	$ 0.18	March 1, 2013

Warrants

Warrant transactions are summarized as follows:

	Number of Warrants		Weighted Average Exercise Price
Balance, September 30, 2009	2,800,000	$	0.05
Warrants granted	3,100,000		0.05
Exercised	(700,000)		0.05
Expired	(2,100,000)		0.05
Balance, September 30, 2010 and March 31, 2011	3,100,000	$	0.05
Exercisable at March 31, 2011	3,100,000	$	0.05

The following warrants to acquire common shares were outstanding at March 31, 2011:

Number of Shares	Exercise Price	Expiry Date
3,000,000	$ 0.05	August 27, 2012
100,000	$ 0.05	September 10, 2012
3,100,000		

Stock-based compensation

For stock options granted to employees, officers, directors and consultants, the Company recognizes as an expense the estimated fair value of the stock options granted. The fair value of each stock option granted is estimated on the date of grant using the Black-Scholes option-pricing model.

4. CAPITAL STOCK AND CONTRIBUTED SURPLUS (cont'd…)

Stock-based compensation (cont'd…)

For the six months ended March 31, 2011, the Company recognized $127,427 (2010 - $nil) as stock-based compensation to operations and the offset was credited to contributed surplus. The following weighted average assumptions were used for the Black-Scholes valuation of stock options granted during the six months ended March 31:

	2011	2010
Risk-free interest rate	1.79%	-
Expected life of options	2 Years	-
Annualized volatility	94.65%	-
Dividend rate	Nil	-

5. SUPPLEMENTAL DISCLOSURES WITH RESPECT TO CASH FLOWS

	2011	2010
Cash paid for income taxes during the period	$ -	$ -
Cash paid for interest during the period	$ -	$ -

There were no significant non-cash investing or financing transactions during the six months ended March 31, 2010 and 2011.

6. RELATED PARTY BALANCES AND TRANSACTIONS

Included in accounts payable and accrued liabilities were $1,189 (September 30, 2010 - $1,383) due to related parties for services rendered to the Company. Amounts due to related parties are unsecured, non-interest bearing, and have no specific terms of repayment.

The Company entered into the following transactions with related parties during the six months ended March 31, 2011:

a) Paid or accrued geological consulting fees of $900 (2010 - $2,002) to a director of the Company.

b) Paid or accrued accounting and administration fees of $3,825 (2010 - $6,320) to a company controlled by an officer of the Company.

c) Paid or accrued office rent of $4,500 (2010 - $5,000) to a director of the Company.

These transactions with related parties were in the normal course of operations and were measured at the exchange value, which represented the amount of consideration established and agreed to by the related parties.

7. FINANCIAL INSTRUMENTS

The Company classified its cash as held for trading, which are measured at fair value. Receivables are classified as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities are classified as other financial liabilities, which are measured at amortized cost.

The carrying values of receivables and accounts payable and accrued liabilities approximate their fair values due to the relatively short period to maturity of these financial instruments. The fair value of cash is measured using level 1 inputs.

The Company's financial instruments and risk exposures are summarized below.

Credit risk

Credit risk is the risk of potential loss to the Company if the counter party to a financial instrument fails to meet its contractual obligations. The Company's credit risk with respect to its cash is minimal as they are held with high-credit quality financial institutions. Receivables mainly consist of harmonized sale tax due from the provincial government of British Columbia. Management believes that the credit risk concentration with respect to other receivables is minimal.

Liquidity risk

Liquidity risk is the risk that the Company will not meet its financial obligations as they fall due. As at March 31, 2011, the Company had a working capital of $196,402. All of the Company's financial liabilities are classified as current and may mature within the next fiscal period. The Company is considered to be in the exploration stage. Thus it is dependent on obtaining regular financings in order to continue its exploration stage. Despite previous success in acquiring these financings, there is no guarantee of obtaining future financings.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and foreign exchange rates.

(a) Interest rate risk

The Company is exposed to interest rate risk to the extent that the cash maintained at the financial institutions. The interest rate risks on cash are not considered significant.

(b) Foreign exchange rate risk

The Company does not have significant foreign exchange risk as all its activities are carried out in Canada and all its financial assets and liabilities are denominated in Canadian dollars.

7. FINANCIAL INSTRUMENTS (cont'd…)

Fair Value

CICA Handbook Section 3862 "Financial Instruments – disclosures" establishes a fair value hierarchy that prioritizes the inputs used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
Level 3 – inputs for the asset or liability that are not based on observable market data.

Financial instruments measured at fair value on the balance sheet are summarized in levels of fair value hierarchy as follows:

Assets	Level 1	Level 2	Level 3	Total
Cash	$ 197,072	$ -	$ -	$ 197,072

8. CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern, pursue exploration of its mineral property interest and to maintain a flexible capital structure for the benefits of its stakeholders. In the management of capital, the Company includes shareholders' equity in the definition of capital.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristic of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue common shares or dispose of assets. Management reviews the capital structure on a regular basis to ensure that the Company's capital management objectives are achieved.

There were no changes in the Company's approach to capital management from the prior year. The Company is not subject to externally imposed capital requirements.

9. SUBSEQUENT EVENT

Subsequent to March 31, 2011, the Company completed a non-brokered private placement of 2,655,000 units at the price of $0.20 per unit for gross proceeds of $531,000. Each unit is comprised of one common share and one share purchase warrant; each share purchase warrant entitles the holder to acquire one additional share at a price of $0.30 for a two year period. The Company paid $8,800 and issued 44,000 agent's warrants as a finder's fee. The agent's warrants have the same terms as the warrants issued under the private placement.