



Southern Cross Exploration N.L.

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QUARTERLY ACTIVITIES REPORT FOR THE QUARTER ENDED 31 MARCH 2015

(ASX code - SXX)

As previously advised, the Company has appointed a receiver to act for it in the recovery of a secured loan advanced to Nadi Bay Beach Corporation. The loan is secured by way of a mortgage over freehold property in Nadi, Fiji. The property was marketed for sale by tender and the Receiver is in active discussions with interested parties with a view to concluding a sale of the land. There will be more to report in the second quarter of 2015.

MINING EXPLORATION AREAS

URANIUM - BIGRLYI URANIUM JOINT VENTURE (5%) - NORTHERN TERRITORY, AUSTRALIA

The Company's 5% interest in the Bigrlyi Uranium Joint Venture is classified in its accounts as "Investment in Joint Venture". The Project comprises 10 granted exploration retention licences (ELRs 46-55) granted over 30 years ago and several applications within the Ngalia Basin, located approximately 350km northwest of Alice Springs. The Bigrlyi Project is characterised by relatively high uranium grades and excellent metallurgical recoveries. Historical base case acid leach tests recorded extraction rates of 98% uranium.

Energy Metals Limited (EME) holds 53.3% and is the Operator. The joint venture also includes Paladin Energy Ltd, which holds 41.7% through its subsidiary, Northern Territory Uranium Pty Ltd.

Southern Cross acquired its initial interest in 1981 in a purchase from the Commonwealth Atomic Energy Commission. A joint venture with a number of uranium pioneering entities resulted, in which Central Pacific Minerals, Urangesellschaft, AGIP Nucleare, Offshore Oil N L, and the Yuendumu Mining Company N L et al were participants at various times.

China Uranium Development Co. Limited, Energy Metals' largest shareholder (60.6%) since 2009, is a wholly owned subsidiary of China General Nuclear Power Holding Company (CGNPC). As of mid-year, CGNPC had eight operating nuclear power stations with existing generation capacity of 8,330MWe and with more than 16,800MWe of capacity under construction in 14 separate power stations across various locations around China. Additionally CGNPC is one of only two companies authorised by the Chinese government to import and export uranium.

Activities (March 2015 Quarter)

The main activities undertaken involved collection of radiation and environmental data for on-going baseline studies. The work was ongoing during the quarter.

For further information on the Bigrlyi Project, including resource estimates and economic studies, visit the website of Energy Metals - www.energymetals.net or refer to EME's ASX announcements.



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URANIUM - MKUJU RIVER, TANZANIA (7%)

Southern Cross has a 7% interest in this project, which comprises several uranium exploration licences in Tanzania. It was proposed to increase the interest in this project to 25%; however that transaction is still not completed. The tenements are located north of the Mkuju River Uranium Project (previously held by Mantra Resources). In 2011, a subsidiary of the Russian State Atomic Energy Corp. acquired the issued capital of Mantra in a billion dollar transaction (after the Japanese tsunami). The Tanzanian tenements have been described as prospective for the discovery of economic uranium deposits. No activity reports on this project were received during the quarter.

GOLD - PHILIPPINES

BATANGAS PROJECT (10%)

(Tenement applications - EPA IVA-115 and PMPSA IV-110)

The Batangas Gold Project is located in the Province of Batangas, about 2 hours from Manila. The project consists of an EP Application and an MPSA, which are yet to be granted. After exercising options, a 10% interest was acquired by the Company's wholly-owned subsidiary Northern Star Investments (Qld) Pty Ltd.

A nearby porphyry copper-gold deposit (Taysan - some 6 kms away) is held by Crazy Horse Resources Inc., a Toronto listed company.

Another company with a nearby project is Red Mountain Mining Ltd (ASX code - RMX). There have been recent exciting developments on RMX's Lobo project, on which RMX has reported exceptionally high gold values of up to 100 gpt. The Lobo project is also close to the Batangas Gold Project area. (for further information, visit RMX's website: www.redmm.com.au - or refer to the ASX announcements of RMX).

GOLD CROSS PROJECT (20%)

(Tenement applications - MA-P-III-02-04, MA-P-III-05-04, MA-P-III-06-04, MA-P-III-07-04)

Southern Cross holds a 20% interest in the Gold Cross Gold Project in the Philippines. The project area is located in the Province of Bulacan about 100 kms north-east of Manila. Southern Cross can acquire an additional interest in the Gold Cross Gold Project by exercising its rights to purchase the balance of 80% in several tranches.

MAGNESITE - IRAN

The company maintains its 10% interest in a private group based in Dubai and Teheran which holds several exploration tenements for magnesite in Iran. This project is being kept under review and discussions have continued during the quarter.

OIL & GAS & ENERGY

Oil and gas exploration opportunities in Australia and overseas have been examined, with a view to direct participation by SXX



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GENERAL

Examination regarding possible participation in a number of new projects and maintaining and reviewing the Company's existing projects were the principal activities during the quarter.

There were no acquisitions or disposals of any interests in any of the Company's projects during the quarter.

There was no exploration expenditure incurred during the quarter.

Directors continue to investigate opportunities to participate in joint ventures and acquire projects in Australia and overseas.

For and on behalf of Southern Cross Exploration N.L.

John Smith
Company Secretary