



# Southern Cross Exploration N.L.

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## QUARTERLY ACTIVITIES REPORT FOR THE QUARTER ENDED 31 DECEMBER 2015

(ASX code - SXX)

### 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 (December 2015 Quarter)

Site rehabilitation works at Anomoly-15 completed

For further information on the Bigrlyi Project, including resource estimates and economic studies, visit the website of Energy Metals - [www.energymetals.net](http://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. The tenements are located north of the Mkuju River Uranium Project (previously held by Mantra Resources). 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.

### **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.



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## **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.

## **OIL & GAS & ENERGY**

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

## **WAILOALOA DEVELOPMENTS LIMITED – 49%**

The Company holds a 49% interest in a Fijian Company (Wailoaloa Developments Limited – 'WDL'). WDL owns 40 acres of freehold land in Nadi Fiji.

## **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.

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

SXX remains committed to its investment in Dateline Resources Limited (ASX: DTR), in which it holds a 17.5% stake after DTR completed the acquisition of Golden Phoenix Resources Limited on 16 October 2015, and believes there is considerable value to be unlocked from DTR's future growth and development. Similar investments are under consideration.

SXX will update shareholders on its investment activities as and when appropriate.

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

John Smith  
Company Secretary