



# Southern Cross Exploration N.L.

ACN : 000 716 012

## QUARTERLY ACTIVITIES REPORT FOR THE QUARTER ENDED 30 JUNE 2018 (ASX code - SXX)

Southern Cross Exploration N.L. ("the Company" or "Southern Cross" or "SXX") is pleased to present its Activities Report for the Quarter ended 30 June 2018.

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

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

Civil works on the project site were completed on November 7, 2017 and practical completion was received from the project Engineers.

WDL is in the process of settling all sales. The settlement process in Fiji is taking longer than we had anticipated and we are hopeful that all sales will be settled during the September quarter.

In the June Quarter, WDL sold another 10 lots of land and are in discussions to sell an additional 14 lots in one line. If successful, WDL will only have 15 lots left for sale.

All sales receipts will be applied to reducing the amounts borrowed from the ANZ bank to fund the development and associated costs first. Counting only the sales that have deposits paid, the current value of the sales exceeds the amount owed to the ANZ bank by approximately AUD8 million.

The previously issued profit guidance from this project of between AUD7 million to AUD8 million remains unchanged.

The WDL website can be viewed at [www.palmbeachfiji.com](http://www.palmbeachfiji.com)

### **MINING EXPLORATION AREAS**

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

In the March quarter, the Company inadvertently stated that it had increased its stake in this project to 6.79% when in fact contributed 6.79% of the agreed working budget and had not increased its stake. Given that the asset is carried at nil value the error was deemed immaterial.

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.



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## **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.

Given the current political climate in the Philippines and the fact that the JV partners have not been able to advance the application, the company is considering abandoning its interest in the application.

### **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. No activity reports on this project were received during the quarter.

Given the current political climate in the Philippines and the fact that the JV partners have not been able to advance the applications, the company is considering abandoning its interest in the application.

## **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.

## **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.

SXX is committed to its investment in Dateline Resources Limited (ASX: DTR), in which it presently holds a 33.41% stake, and believes there is considerable value to be unlocked from DTR's future development of the Gold Links project in Colorado along with its Udu project in Fiji.

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