

REPORT ON ACTIVITIES & APPENDIX 5B FOR THE QUARTER ENDED 31 MAY 2022

30 June 2022

HIGHLIGHTS

Sunday Creek Project

- Selected drill assay results released during the quarter from the Sunday Creek Project include:
 - A spectacularly wide intersection of gold-antimony mineralisation grading 119.2 m @ 3.9 g/t AuEq from 106.8 m in drill hole SDDSC033. The drill hole also intersected 8 high-grade intersections >30 g/t Au with assays up to 119.5 g/t Au
 - 17.3 m @ 3.9 g/t Au and 0.6% Sb (4.9 g/t AuEq) from 214.4 m in hole SDDSC031 (0.3 g/t AuEq over 2 m lower cut)
- Purchase of 132.64 hectares of freehold land at the Sunday Creek Project
- Second drill rig secured for Sunday Creek subsequent to quarter's end

Corporate

- Successful spin-out and listing of Southern Cross Gold Ltd ('SXG' or the 'Company') on the Australian Securities Exchange – 16 May 2022
- \$9.1 m capital raised at IPO at \$0.20 a share
- 60% shareholder escrowed for two years from date of listing

Melbourne, Australia — Southern Cross Gold Ltd ("SXG" or the "Company") (ASX:SXG) is pleased to report on its activities for the quarter ended 31 May 2022.

Sunday Creek Project

The 100%-owned Sunday Creek epizonal-style gold project is located 60km north of Melbourne within 19,365ha of granted exploration tenements.

Diamond drilling at Sunday Creek continued during the period with the objective of defining gold mineralisation down to a depth of 400 m over an initial 1km trend. The Company considers Sunday Creek to be one of the better new exploration discoveries to come out of Victoria in recent times with thirteen (13) >100 AuEq g/t x m holes intersected at period end. Mineralisation remains open at depth and along strike. A 10 km mineralised trend at Sunday Creek that extends beyond the current Golden Dyke to Apollo drill area is defined by historic workings and soil sampling that has yet to receive any exploration drilling and offers potential future upside.

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ABN: 70 652 166 795
ASX Code: SXG
Issued Capital: 156.2M fully paid shares

The Company continued to drill at Sunday Creek during the three-month IPO process period, with 11 holes (MDDSC027, SDDSC028-037) for 2,698.1m completed by the end of the quarter. The Company reported seven drill holes as at the end of the quarter, drill core from four further holes (SDD034-37) had been forwarded to the assay laboratory with one hole in progress to target wide and high-grade extensions to mineralisation found in SDDSC033.

Continuity, with great width and grades, is now evident down to 410 m vertical depth in the Apollo Shoot at Sunday Creek that remains open to depth, while multiple adjacent shoots remain to be drilled out.

Drill Hole Discussion

Drill holes MDDSC0027 and SDDSC031-32 were targeted to extend and infill mineralisation across specific multiple north-west striking mineralised shoots in the Apollo mine area at Sunday Creek. As is typical with the property, wide mineralised zones with high grade central intersections were intersected.

Drill hole MDDSC027 intersected a significant cataclastic zone which disrupted the mineralised zone. The hole hit a broad low-grade interval including **2.5 m @ 0.5 g/t Au from 285.5 m, 1.9 m @ 0.5 g/t Au from 302.9 m and 4.0 m @ 0.3 g/t Au from 315.0 m** and is considered a near miss hole for follow-up.

Drill holes SDDSC028-29 tested a coincident gold in soil anomaly, with low grade boulders on a topographic high and a coincident 3D array IP chargeability anomaly (with higher chargeability than the main mineralised zone at Apollo). Low-grade gold, yet geologically significant, was discovered in SDDSC029 including **0.6 m @ 0.4 g/t Au from 16.0 m, 1.0 m @ 0.4 g/t Au from 26.0 m and 1.2 m @ 0.3 g/t Au from 29.8 m**. The source of soil anomalies above SDDSC029 could be explained in part by the presence of gold in drilling. SDDSC028, drilled 300m north-east of SDDSC029 did not intersect significant results and the source for the 3D IP chargeable anomalies remains unexplained. These indications of a parallel zone of gold mineralisation located 250m north of the main mineralised area opens up further opportunities for undercover parallel zones across the property.

Drill hole SDDSC030 was a short hole (104.1 m) to test earlier trench results located 200 m east of any prior drilling (Trench 1: 14.0 m at 11.5 g/t gold and 0.3% antimony including 8.0 m @ 19.6 g/t gold and 0.4% antimony and Trench 2: 2 m @ 4.9 g/t gold and 0.2% antimony). The single hole failed to intersect the mineralised structure and further drilling is warranted. The mineralised trend remains open and undrilled for 10km to the NE from these trenches.

SDDSC031 was drilled to target mineralised shoots to the west of the Apollo shaft in a 50 m gap to infill between drill hole MDDSC015A (15.3 m @ 2.2 g/t Au and 2.1% Sb (5.5 g/t AuEq) from 231.4 m) and drill hole MDDSC0012 (10.4 m @ 5.4 g/t Au and 1.1% Sb (7.0 g/t AuEq) from 203.0 m). With a 3 m @ 0.1g/t AuEq lower cut, SDDSC031 intersected **36.0 m @ 2.3 g/t Au and 0.4% Sb (2.9 g/t AuEq) from 197.7 m (109 g/t AuEq*m)** and included high grade mineralisation:

- **1.4 m @ 10.9 g/t Au and 3.4% Sb (16.3 g/t AuEq) from 222.7 m**
- **0.4 m @ 18.0 g/t Au and 6.6% Sb (28.5 g/t AuEq) from 226.3 m**
- **0.3 m @ 66.8 g/t Au and 0.0% Sb (66.9 g/t AuEq) from 227.3 m**

SDDSC032 was drilled to test the Gladys mineralised shoots. The closest hole was historic RC hole VCRC011, located 20 m in the plane of the shoot, intersected 21.0 m @ 3.9 g/t Au from 37.0 m. With no lower cut applied, SDDSC032 intersected multiple structures yielding **97 m @ 0.7 g/t Au and 0.1% Sb (0.8 g/t AuEq) from surface**, and included high grade mineralisation:

- **0.4 m @ 15.7 g/t Au and 6.7% Sb (26.4 g/t AuEq) from 60.3 m**
- **0.3 m @ 81.2 g/t Au and 3.4% Sb (86.6 g/t AuEq) from 61.5 m**

Drill hole SDDSC033 was drilled to test a 120 m gap between two mineralised shoots to the west of the Apollo shaft between drill hole VCRC007 (28 m @ 3.0 g/t Au and 0.2% Sb (3.3 g/t AuEq) from 62.0 m) located 60m up-plunge from SDDSC033 and MDDSC012 (10.4 m @ 5.4 g/t Au and 1.1% Sb (7.0 g/t AuEq) from 203.0 m), located 40 m down-plunge.

This result is unprecedented in terms of width of high-grade mineralisation rarely, if ever, seen in the Victorian goldfields. A result of 119.2m @ 3.9 g/t AuEq places the Sunday Creek project into a new realm, and builds on what was already a remarkably successful drill program.

Within SDDSC033, three mineralised shoots have joined to form a “blow out” of the mineralised zone within altered siltstones, dioritic dykes and dyke-related breccias. The host for mineralisation is a zone of intensely altered white mica-pyritic siltstones, and white mica-pyrite-carbonate altered dyke rocks. As is typical for epizonal deposits like Fosterville and Costerfield, gold (sometimes visible) at Sunday Creek is hosted in quartz and carbonate veins, with a later intense stibnite-bearing vein and breccia overprint. A large arsenic anomaly is associated with the gold mineralisation. The orientation of the Apollo Shoot(s) are approximately 80 degrees dip towards 020 degrees azimuth, correlating with the intersection of the sub-vertical 330 degree striking mineralised veins and the steep east-west striking, north dipping dioritic dyke and related intrusive breccia.

In summary, SDDSC033 reported:

- **119.2 m @ 3.2 g/t Au and 0.4% Sb (3.9 g/t AuEq) from 106.8 m in hole SDDSC033 (0.1 g/t AuEq over 3 m lower cut), including:**
 - **64.0 m @ 2.7 g/t Au and 0.2% Sb (3.0 g/t AuEq) from 110.7 m**
 - **39.0 m @ 5.2 g/t Au and 1.0% Sb (6.8 g/t AuEq) from 179.0 m**
- Higher grade zones included:
 - **5.1 m @ 17.7 g/t Au and 1.6% Sb (20.3 g/t AuEq) from 160.5 m**
 - **2.3 m @ 26.2 g/t Au and 3.7% Sb (32.0 g/t AuEq) from 184.0 m**
 - **5.2 m @ 14.7 g/t Au and 4.8% Sb (22.3 g/t AuEq) from 189.9 m**

A total of 8 high-grade intersections >30 g/t Au were intersected, and these are:

- **0.3 m @ 119.5 g/t Au and 0.7% Sb (120.6 g/t AuEq) from 161.0 m**
- **0.2 m @ 57.3 g/t Au and 0.6% Sb (58.2 g/t AuEq) from 161.5 m**
- **0.1 m @ 34.3 g/t Au and 7.0% Sb (45.4 g/t AuEq) from 161.9 m**
- **0.3 m @ 51.6 g/t Au and 0.8% Sb (52.8 g/t AuEq) from 165.3 m**
- **0.9 m @ 35.4 g/t Au and 4.0% Sb (41.8 g/t AuEq) from 180.6 m**
- **0.8 m @ 54.7 g/t Au and 7.0% Sb (65.8 g/t AuEq) from 184.0 m**
- **0.8 m @ 39.7 g/t Au and 11.7% Sb (58.2g/t AuEq) from 192.2 m**
- **0.8 m @ 38.4 g/t Au and 7.1% Sb (58.2 g/t AuEq) from 194.3 m**

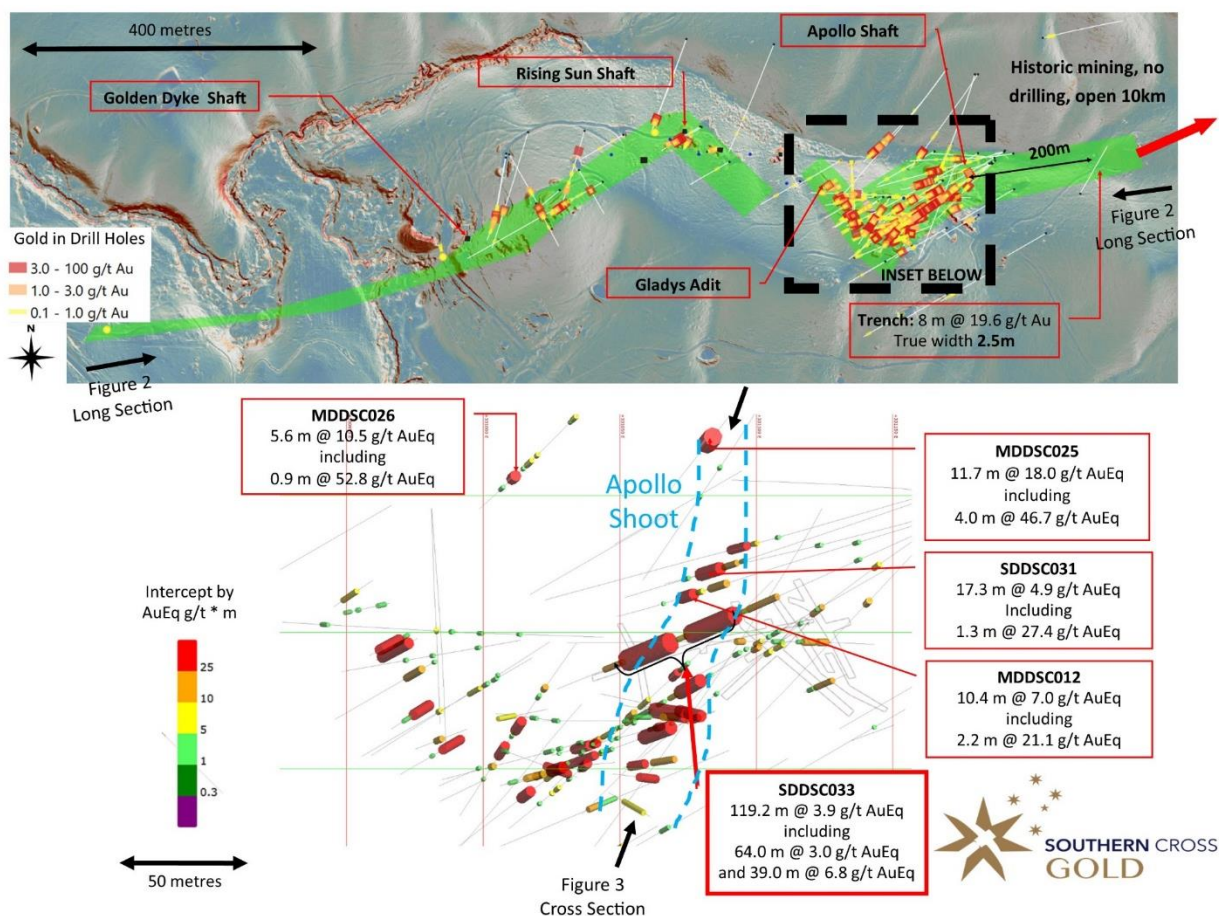
Gold Equivalent Calculation

SXG considers that both gold and antimony that are included in the gold equivalent calculation (“AuEq”) have reasonable potential to be recovered at Sunday Creek, given current geochemical understanding, historic production statistics and geologically analogous mining operations. Historically, ore from Sunday Creek was treated onsite or shipped to the Costerfield mine, located 54km to the northwest of the project, for processing

during WW1. The Costerfield mine corridor, now owned by Mandalay Resources Ltd contains 2 million ounces of equivalent gold (Mandalay Q3 2021 Results), and in 2020 was the sixth highest-grade global underground mine and a top five global producer of antimony.

SXG considers that it is appropriate to adopt the same gold equivalent variables as Mandalay Resources Ltd in its Mandalay Technical Report, 2022 dated 25 March 2022. The gold equivalence formula used by Mandalay Resources was calculated using recoveries achieved at the Costerfield Property Brunswick Processing Plant during 2020, using a gold price of US\$1,700 per ounce, an antimony price of US\$8,500 per tonne and 2021 total year metal recoveries of 93% for gold and 95% for antimony, and is as follows: $AuEq = Au (g/t) + 1.58 \times Sb (\%)$.

Figure 2: Sunday Creek plan view showing a selection of drillhole results discussed in this report.



Golden Dyke Shaft and mine workings
20 stopes over 200 metres

CRC020
32.0 m @ 2.7 g/t AuEq
Including
3.0 m @ 17.9 g/t AuEq

Rising Sun Shaft

CRC013
21.0 m @ 4.7 g/t AuEq
Including
2.0 m @ 26.1 g/t AuEq

VCR007
28.0 m @ 3.3 g/t AuEq
including
5.0 m @ 13.9 g/t AuEq

OPEN

VCR022
19.0 m @ 6.9 g/t AuEq
Including
2.0 m @ 44.1 g/t AuEq

SDDSC033
119.2 m @ 3.9 g/t AuEq including
64.0 m @ 3.0 g/t AuEq
and 39.0 m @ 6.8 g/t AuEq

MDDSC012
10.4 m @ 7.0 g/t AuEq
Including
2.2 m @ 21.1 g/t AuEq

SDDSC031
17.3 m @ 4.9 g/t AuEq
Including
1.3 m @ 27.4 g/t AuEq

MDDSC025
11.7 m @ 18.0 g/t AuEq
including
4.0 m @ 46.7 g/t AuEq

MDDSC026
5.6 m @ 10.5 g/t AuEq
including
0.9 m @ 52.8 g/t AuEq

Apollo Shaft

SDDSC033 tests
120 m gap in plane of shoots

Grade (g/t) * width (m)

100
50
25
10
5

Parallel mineralised shoots— require further drilling

SOUTHERN CROSS GOLD

100 metres

OPEN

OPEN

OPEN

Plunge +02
Azimuth 342

Grade (AuEq) x width circles calculated using a 3m width at 0.1g/t AuEq cumulative addition for each hole. All drilling from project projected onto the longitudinal section—width of influence 500m.

Figure 4: Sunday Creek cross section along the Apollo shoot looking towards 020 degrees showing continuity of wide and high-grade mineralisation down to 335 m vertically below surface.

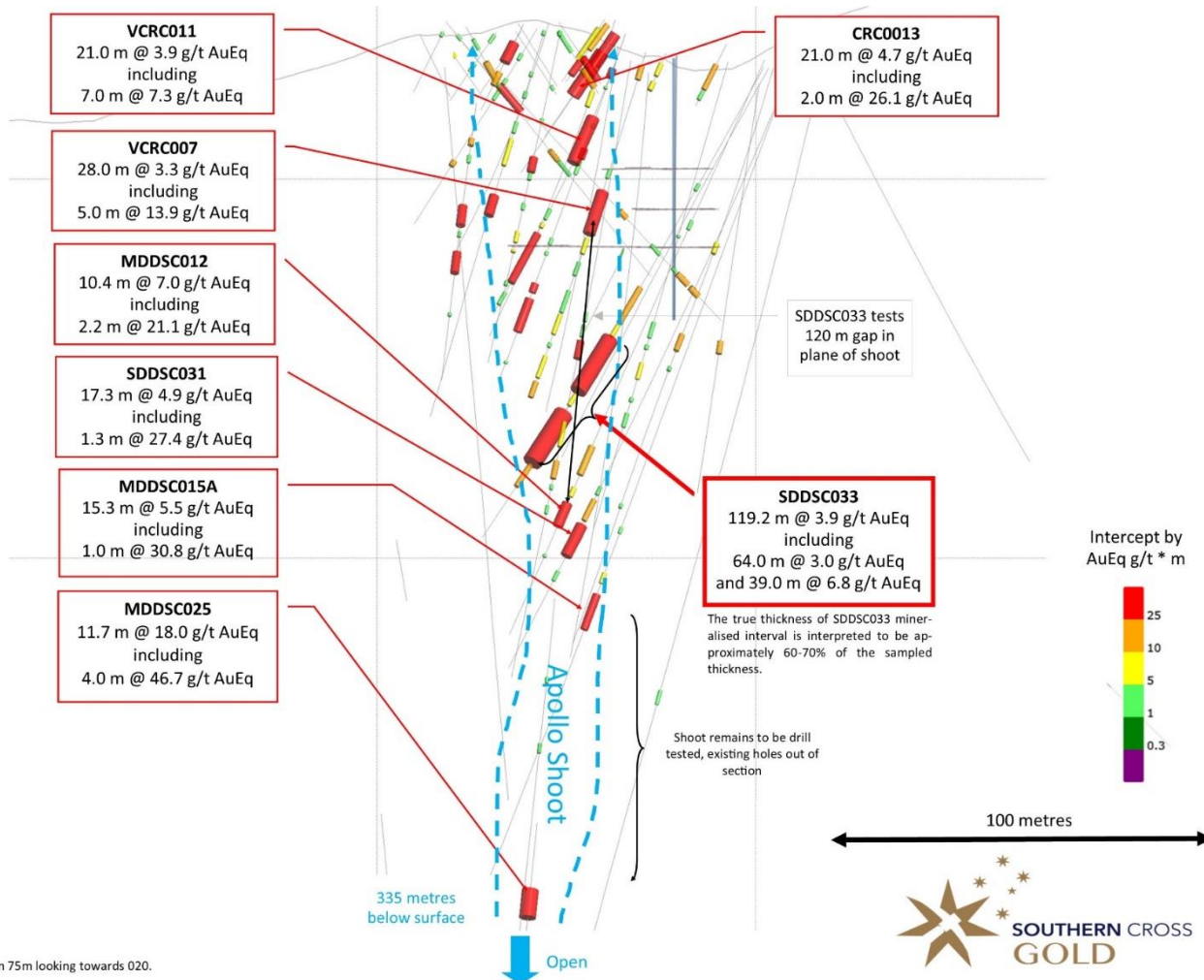


Table 1: Drill collar summary table for drillholes with assays released in this quarterly report.

Hole_ID	Hole Size	Depth (m)	Prospect	East GDA94_Z55	North GDA94_Z55	Elevation	Azimuth	Plunge
MDDSC027	HQ/NQ	400.0	Apollo	331150	5867964	323.0	205	-65.0
SDDSC028	HQ	150.0	north IP	331550	5868090	362.5	288	-30.0
SDDSC029	HQ	220.6	north IP	331243	5868014	343.7	90	-60.0
SDDSC030	HQ	104.1	Eastern trench	331294	5867801	320.0	42	-45.0
SDDSC031	HQ	282.0	Apollo	331191	5867860	307.4	250	-60.0
SDDSC032	HQ	140.0	Apollo	331056	5867767	319.0	228	-65.0
SDDSC033	HQ	246.1	Apollo	331172	5867842	306.3	245	-51.5

Table 2: Tables of mineralised drill hole intersections in this report using three intersection criteria

5.0 g/t AuEq cutoff over a maximum of 1m

Drill Hole	From (m)	To (m)	Width (m)	Au g/t	Sb %	AuEq g/t
SDDSC031	115.6	115.7	0.1	8.1	4.0	14.5
SDDSC031	222.7	224.1	1.4	10.9	3.4	16.3
SDDSC031	226.3	226.7	0.4	18.0	6.6	28.5
SDDSC031	227.3	227.6	0.3	66.8	0.1	66.9
SDDSC032	60.3	60.7	0.4	15.7	6.7	26.3
SDDSC032	61.5	61.8	0.3	81.2	3.4	86.6
SDDSC033	118.5	119.0	0.5	9.3	0.6	10.2
SDDSC033	148.9	149.4	0.5	16.4	0.0	16.5
SDDSC033	151.0	153.5	2.5	5.8	0.2	6.2
SDDSC033	154.7	154.9	0.2	24.0	0.1	24.0
SDDSC033	160.5	165.6	5.1	17.7	1.6	20.3
SDDSC033	180.6	181.5	0.9	35.4	4.0	41.8
SDDSC033	184.0	186.3	2.3	26.2	3.7	32.0
SDDSC033	189.9	195.1	5.2	14.7	4.8	22.3

0.3 g/t lower cutoff over a maximum of 2m

Drill Hole	From (m)	To (m)	Width (m)	Au g/t	Sb %	AuEq g/t
MDDSC027	285.5	288.0	2.5	0.5	0.0	0.5
MDDSC027	302.9	304.8	1.9	0.5	0.1	0.6
MDDSC027	315.0	319.0	4.0	0.3	0.0	0.4
SDDSC029	16.0	16.7	0.6	0.4	0.0	0.4
SDDSC029	26.0	27.0	1.0	0.4	0.0	0.4
SDDSC029	29.8	31.0	1.2	0.3	0.0	0.3
SDDSC031	109.5	110.6	1.1	0.4	0.0	0.5
SDDSC031	115.3	115.8	0.5	2.1	1.0	3.7

SDDSC031	163.7	164.0	0.3	0.5	0.0	0.5
SDDSC031	196.1	200.0	3.9	0.6	0.1	0.8
SDDSC031	202.4	212.1	9.7	1.3	0.2	1.6
SDDSC031	214.4	231.7	17.3	3.9	0.6	4.9
SDDSC031	236.3	240.7	4.4	0.7	0.0	0.7
SDDSC032	0.0	2.2	2.2	1.0	0.0	1.0
SDDSC032	7.0	8.0	1.0	0.3	0.0	0.3
SDDSC032	24.3	25.3	1.0	0.3	0.0	0.3
SDDSC032	38.4	40.2	1.8	0.9	0.0	0.9
SDDSC032	55.5	65.3	9.8	3.9	0.5	4.6
SDDSC032	68.0	68.8	0.8	0.4	0.0	0.5
SDDSC032	74.0	78.4	4.4	0.4	0.2	0.7
SDDSC032	84.0	85.0	1.0	0.3	0.0	0.3
SDDSC032	88.0	92.7	4.7	1.2	0.0	1.3
SDDSC032	96.0	97.0	1.0	7.6	0.5	8.4
SDDSC032	101.0	102.0	1.0	0.3	0.0	0.3
SDDSC032	109.7	111.6	1.9	1.1	0.0	1.1
SDDSC033	110.7	174.7	64.0	2.7	0.2	3.0
SDDSC033	179.0	218.0	39.0	5.2	1.0	6.8

0.1 g/t lower cutoff over a maximum of 3 m

hole_id	from (m)	to (m)	width (m)	Au g/t	Sb %	AuEq g/t
SDDSC033	106.8	226.0	119.2	3.2	0.4	3.9

Purchase of Freehold Land

The Company purchased a 132.64 hectare block of freehold property that covers both the Sunday Creek project drill area and areas for potential extension of the zone to the east. The Company views that owning the freehold land better secures future surface access. The Company may also consider other uses for the freehold land in the future, such as renewable energy options, livestock grazing or agistment to help maintain the property (although there are no current plans for such additional uses). As the contract was conditional upon satisfying the requirements of the Foreign Acquisitions and Takeovers Act 1975 (Cth), a no objection notification for the freehold acquisition without conditions from the Foreign Investment Review Board ("FIRB") was received before settlement.

Second Drill Rig to Arrive at Sunday Creek

Subsequent to the end of the quarter, the Company announced to the market on 14 June 2022 it had sourced an additional rig to mobilise to the Sunday Creek site before the end of the month. The Company determined that given the exceptional drilling progress it had made at the project, it deserved additional capacity to extend and infill mineralisation around the Apollo to Golden Dyke strike zone at Sunday Creek.

Critical Metal Epizonal Gold-Antimony Deposits

Sunday Creek is an epizonal gold-antimony deposit formed in the late Devonian period (similar to Fosterville, Costerfield, Redcastle and Whroo), 60 million years later than mesozonal gold systems formed in Victoria (ie: Ballarat and Bendigo). Epizonal deposits are a form of orogenic gold deposit classified according to their depth of formation: epizonal (<6 km), mesozonal (6-12 km) and hypozonal (>12 km).

Geoscience Australia reported that as at 2019, antimony is a critical metal where China and Russia combined produce approximately 82% of the antimony raw material supply. Antimony features highly on the critical minerals lists of many countries including Australia, the United States of America, Canada, Japan and the European Union. Australia ranks seventh for antimony production despite all production coming from a single mine at Costerfield in Victoria, located nearby to all Southern Cross Gold projects. Antimony alloys with lead and tin which results in improved properties for solders, bullets, bearings and batteries. Antimony is a prominent additive for halogen-containing flame retardants. Adequate supplies of antimony are critical to the world's energy transition, and to the high tech industry especially the semi-conductor and defence sectors. For example, antimony is a critical element in the manufacture of lithium-ion batteries and to the next generation of liquid metal batteries that lead to scalable energy storage for wind and solar power.

Corporate

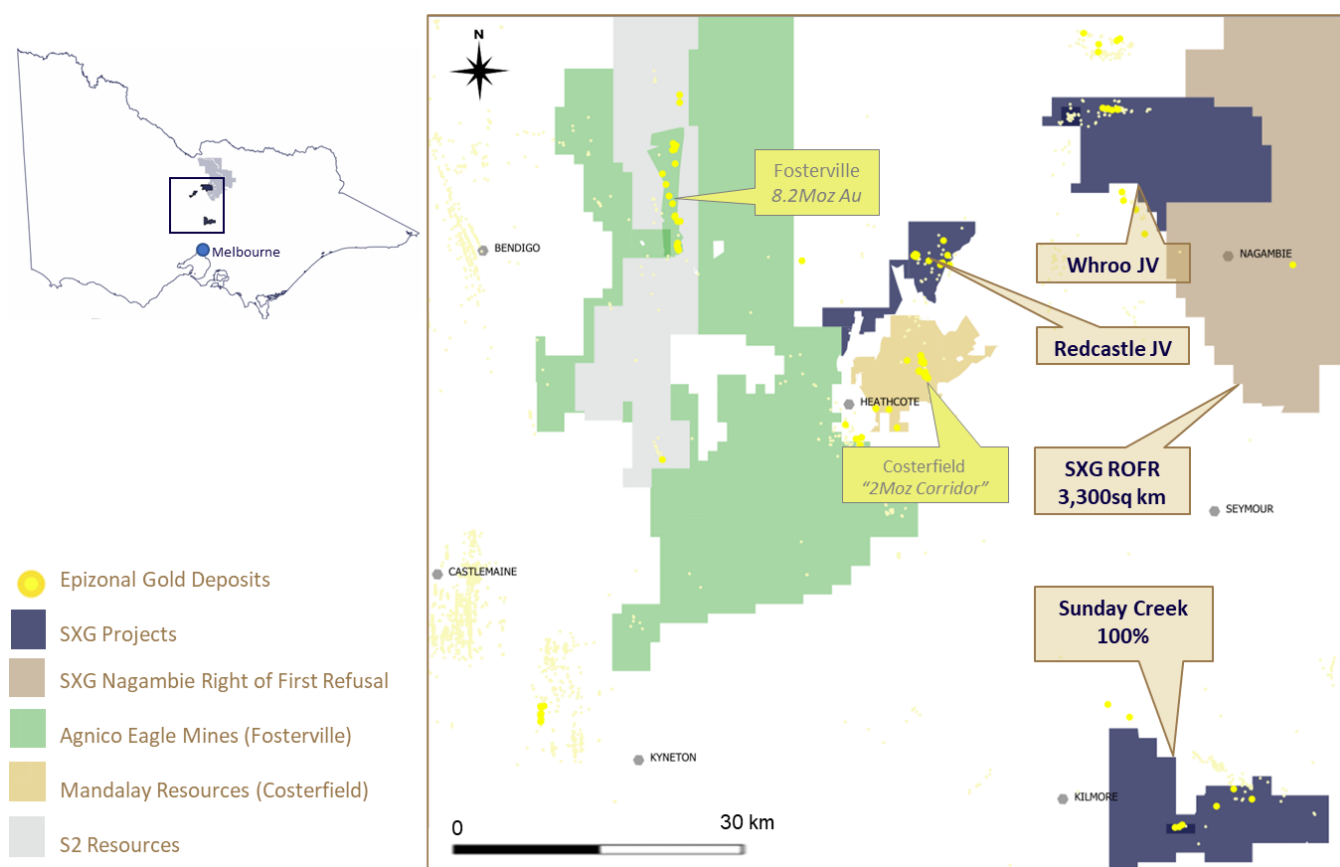
Southern Cross Gold Ltd is an exploration stage company with a focus on gold exploration in Australia. The Company's focus is primarily on the exploration and development of its portfolio of exploration projects through its wholly owned subsidiaries, Clonbinane Goldfield Pty Ltd, Mawson Victoria Pty Ltd and Mawson Queensland Pty Ltd which hold rights in the following the Projects:

1. Sunday Creek Project – Victoria - 100% ownership via Clonbinane;
2. Whroo Project – Victoria - earning up to 70% ownership via Mawson Victoria;
3. Redcastle Project – Victoria -70% ownership via Mawson Victoria; and
4. Mt Isa Project – 100% ownership via Mawson Queensland.

The Victorian projects are over substantial areas of three of the nine historic high grade epizonal goldfields of the Melbourne Zone in Central Victoria covering 471 km². The Mt Isa Project covers 861 km² of tenure in the Cloncurry/Mount Isa block in Queensland, over a combined 60 km of strike.

The Company also holds a strategic 10% ownership of Nagambie Resources Ltd (ASX: NAG) ('Nagambie') which entitles the Company to a Right of First Refusal over 3,300 km² of tenements controlled by Nagambie in central Victoria.

Figure 1: Location of SXG Victorian projects



Initial Public Offer

The Company commenced trading on the Australian Securities Exchange ('ASX') on 16 May 2022 having raised \$9.1 m in the IPO at a listing price of \$0.20. This is in addition to an oversubscribed pre-IPO capital raise of \$2.7 m in January 2022 prior to the reporting period.

The Company is a spin out of Toronto Exchange listed Mawson Gold Ltd (TSX: MAW) ('Mawson') who had invested C\$6M in exploration expenditures for 9,000 m of drilling at the three Victorian properties since January 2020 up to the IPO process period.

Mawson is now a Nordic focused exploration and development company whose principal asset, the Rajapalot gold-cobalt project in northern Finland, is a first principal discovery with an inferred resource of 1.04 Moz @ 3.0g/t AuEq made by members of the SXG team.

Mawson remains a 60% shareholder in the Company whose shares are escrowed for two years from the date of listing (16 May 2022).

Safety, the Environment and our Communities

With a strong commitment to a safe work environment our team has achieved a zero injury rate in the quarter and the field team have improved safety procedures associated with handling diamond core. We are working toward a “zero lift” core handling facility to reduce the amount of manual handling and greatly reduce the risk of injury to personnel.

We are also actively reducing the amount of waste at our core logging facility by increasing our recycling capacity with a new system that will see much of our waste recycled and minimal waste going to landfill. We will also continue to purchase Dynamics G-ex core trays that are made from 95% recycled materials. By using these core trays, we have prevented 5.71 tonnes of curbside waste from going to landfill. These trays also reduced our greenhouse gas emissions as the trays are made from local plastic waste and are manufactured in Victoria, thus reducing the amount of transport required to get the trays to our site. Additionally, we also use compostable plastic bags for our core samples and we are working with Dynamics G-ex to help local National Disability Insurance Scheme industries to produce consumables such as core blocks and calico sample bags for our exploration programs.

SXG is also actively seeking to reduce our greenhouse gas emissions by purchasing renewable energy for our facilities and our new core shed will be designed to be energy efficient and will use renewable energy.

During the quarter, SXG was the first mining or exploration company in Victoria to employ the First Nations people’s agency, Biik Environmental to carry out rehabilitation work on old trenches left behind by previous explorers at our Sunday Creek project. Biik Environmental’s work is undertaken in accordance with the Taungurung Land and Waters Council’s Cultural and Natural Resource Management principles of Healing Country, Reading Country and Caring for Country.

As part of our commitment to exceeding the Victorian Code of Practice for Exploration, SXG will soon commence a proactive and voluntary environmental baseline study. This study will form part of our environmental risk assessment as we move towards a potential work program at Sunday Creek. This early work will be essential for any future mining licence to be granted. Biik Environmental has tendered for the contract to carry out the study.

This quarter, SXG was active in engaging our local and broader community. With the purchase of the freehold land at Sunday Creek, we have started tours for the local community so they can see firsthand the low impact exploration methods that we are carrying out. This has led to us forming a Clonbinane Community Consultation group that will work with SXG as we progress the Sunday Creek Project. Several community projects have been proposed including Southern Cross Gold’s Qualified Drone Operator helping to monitor Sunday Creek’s Landcare projects and our staff helping to build nesting boxes for the local wildlife. As part of our commitment to our communities, Southern Cross held a stand at the Seymour Alternative Farming Field Day. This is a large event over three days that draws patrons in from all the areas in which we work. Our activity “your value in gold” was particularly popular with the children who visited the stand. During the quarter SXG also presented the Sunday Creek Project to the Mitchell Shire Council’s Community Environmental Consultation group with very positive responses from all the community members.

Interests in Mining Tenements

Below is a summary of the mining tenements held by the Company at the end of the quarter:

Mining Tenement	Location	Beneficial Percentage held	Interest acquired/farm-in or disposed/farm-out during the quarter
EL 6163 – Sunday Creek	Victoria, Australia	100%	-
EL 7232 – Sunday Creek	Victoria, Australia	100%	-
RL 6040 – Sunday Creek	Victoria, Australia	100%	
EL 6158 - Whroo	Victoria, Australia	- (*Subject to earn-in)	
EL 6212 – Whroo	Victoria, Australia	- (*Subject to earn-in)	
EL 7205 - Whroo	Victoria, Australia	- (*Subject to earn-in)	
EL 7209 – Whroo	Victoria, Australia	- (*Subject to earn-in)	
EL 7237 – Whroo	Victoria, Australia	- (*Subject to earn-in)	
EL 7238 – Whroo	Victoria, Australia	- (*Subject to earn-in)	
RL 2019 – Whroo	Victoria, Australia	- (*Subject to earn-in)	
ELA 7653 – Whroo	Victoria, Australia	- (*Subject to earn-in)	
EL 5546 - Redcastle	Victoria, Australia	**70%	
EL 7498 – Redcastle	Victoria, Australia	**70%	
EL 7499 – Redcastle	Victoria, Australia	**70%	
EPM 26940 – Mt Isa	Queensland, Australia	100%	
EPM 27022 – Mt Isa	Queensland, Australia	100%	
EPM 27025 – Mt Isa	Queensland, Australia	100%	
EPM 26481 – Mt Isa	Queensland, Australia	100%	
EPM 26483 – Mt Isa	Queensland, Australia	100%	
EPM 27625 – Mt Isa	Queensland, Australia	100%	
EPM 27626 – Mt Isa	Queensland, Australia	100%	

* **Whroo joint venture** - A subsidiary of the Company, Mawson Victoria Pty Ltd, is party to an Option and Joint Venture Agreement with Nagambie Resources Limited for the Whroo Joint Venture tenements. In meeting \$2,500,000 of exploration commitments and \$250,000 cash payments over a 4-year period set under the Farm-in Agreements by 2 December 2024, Mawson Victoria Pty Ltd will have a 60% economic interest in those tenements. Upon Mawson Victoria Pty Ltd earning a 60% interest, either party may elect by notice to the other to form a joint venture ("JV") under which the percentage ownership of each of Nagambie Resources Limited and Mawson Victoria Pty Ltd will be 40% and 60%, respectively.

Should the parties not elect to form a 40/60% JV, Mawson Victoria Pty Ltd will then have the option to earn an additional 10% interest in the Option Property (for an aggregate 70% interest) by incurring an additional A\$1.5M of exploration expenditures on or before the end of year 6 (cumulative A\$4.0M in years 1 to 6). Once Mawson Victoria Pty Ltd earns a 70% interest, a JV between the parties will be automatically formed. Nagambie Resources Limited may then contribute its 30% ownership with further exploration expenditures or, if it chooses to not contribute, dilute its interest. Should Nagambie Resources Limited's interest be reduced to less than 5.0%, it will be deemed to have forfeited its interest in the JV to Mawson Victoria Pty Ltd in exchange for a 1.5% net smelter return royalty ("NSR") on gold revenue.

Should Nagambie Resources Limited be granted the NSR, Mawson Victoria Pty Ltd will have the right to acquire the NSR for A\$4,000,000. As of this date, Mawson Victoria Pty Ltd has met its minimum first year commitments and is working towards meeting its second-year commitment by 2 December 2022.

**** Redcastle Joint Venture** - A subsidiary of the Company, Mawson Victoria Pty Ltd, is party to an Option and Joint Venture Agreement with Nagambie Resources Limited for the Redcastle Joint Venture tenements.

In meeting \$1,000,000 of exploration commitments over a 5-year period set under the Farm-in Agreements by 25 March 2025, the consolidated entity will have a 70% economic interest in those tenements. Once the consolidated entity earns a 70% economic interest, a joint venture between the parties will be formed. Nagambie Resources Limited may then contribute its 30% share of further exploration expenditures or, if it chooses to not contribute, dilute its interest.

Should Nagambie Resource Limited's interest be reduced to less than 5%, it will be deemed to have forfeited its interest in the joint venture to the Company in exchange for a 1.5% net smelter return royalty ("NSR") on gold revenue. Should Nagambie Resources Limited be granted the NSR, the Company will have the right to acquire the NSR for \$4,000,000 per property. As of this date, the Company has earned 70% and the companies are proceeding to form a joint venture.

Additional Information

The table below compares the Company's actual expenditure against the 2 year Use of Funds table contained in the Company's IPO Prospectus dated 17 March 2022:

Use of funds as contained in the Prospectus	2 Year Use of Funds as contained in the Prospectus	Actual amount spent to date
Sunday Creek exploration	\$3,910,200	\$408,276
Whroo exploration	\$550,250	\$8,106
Redcastle exploration	\$1,204,950	\$9,868
Mt Isa exploration	\$500,000	\$38,609
Freehold land purchase and capital items	\$2,000,000	\$1,773,500
Admin and corporate	\$1,925,000	\$192,044
Costs of the Offers	\$889,600	\$700,110*
Remaining working capital	\$313,300	-
Total	\$11,293,000	\$3,130,513

* Costs of the Offer will be split between equity and profit and loss in the statutory financial reports.

Appendix 5B related party payments

There were no payments made during the May 2022 quarter to related parties for sections 1 and 2 in the Appendix 5B.

– Ends –

This announcement has been authorised for release by the Board of SXG.

Competent Person Statement

Information in this report that relates to new exploration results contained in this report is based on information compiled by Michael Hudson, a Fellow of the Australasian Institute of Mining and Metallurgy. He is MD for Southern Cross Gold Ltd. He has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration and to the activity being undertaking to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Michael Hudson has consented to the inclusion in this report of the matters based on this information in the form and context in which it appears.

Certain information in this announcement that relates to prior exploration results is extracted from the Independent Geologist's Report dated 16 March 2022 which was issued with the consent of the Competent Person, Mr Terry C. Lees. The report is included the Company's prospectus dated 17 March 2022 which was released as an announcement to ASX on 12 May 2022 and is available at www2.asx.com.au under code "SXG". The Company confirms that it is not aware of any new information or data that materially affects the information related to exploration results included in the original market announcement. The Company confirms that the form and context of the Competent Persons' findings in relation to the report have not been materially modified from the original market announcement.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Southern Cross Gold Ltd

ABN

70 652 166 795

Quarter ended ("current quarter")

31 May 2022

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (10 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	-	-
	(e) administration and corporate costs	(324)	(463)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(324)	(463)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(1,909)	(1,977)
	(d) exploration & evaluation	(687)	(1,891)
	(e) investments	(70)	(70)
	(f) other non-current assets	-	(2)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (10 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (acquired from subsidiaries following asset acquisition)	-	544
2.6	Net cash from / (used in) investing activities	(2,666)	(3,396)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	9,093	11,818
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(561)	(675)
3.5	Proceeds from borrowings	-	1,000
3.6	Repayment of borrowings	(365)	(365)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	8,167	11,778

4.	Net increase / (decrease) in cash and cash equivalents for the period	5,177	7,919
4.1	Cash and cash equivalents at beginning of period	2,742	-
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(324)	(463)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2,666)	(3,396)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	8,167	11,778

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (10 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	7,919	7,919

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	7,919	2,742
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	7,919	2,742

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	-
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	N/A		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(324)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(687)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,011)
8.4	Cash and cash equivalents at quarter end (item 4.6)	7,919
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	7,919
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	7.83
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

30 June 2022

Date:

Board of Directors

Authorised by:
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.