

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

29 September 2022

### HIGHLIGHTS

#### *Sunday Creek Project*

- Selected drill assay results released during the quarter from the Sunday Creek Project include:
  - Holes SDDSC038-39 rank as the 2<sup>nd</sup> and 4<sup>th</sup> best drill holes, after SDDSC033, to be drilled to date at Sunday Creek based on cumulative grade x metres (“AuEq g/t x m”) with wide zones of mineralisation and more than a dozen high-grade intersections grading up to 130.0 g/t Au and 25.1% Sb with abundant visible gold
  - Drill hole SDDSC039 drilled 30 metres below SDDSC033 intersected
    - 42.0 m @ 4.8 g/t AuEq (3.5 g/t Au and 0.8% Sb) from 166.0 m
  - Drill hole SDDSC038 drilled 60 metres above SDDSC033 intersected
    - 15.3 m @ 4.2 g/t AuEq (2.8 g/t Au and 0.9% Sb) from 141.0 m
- Two new veins identified 70 m and 100 m further east than previously drilled at Apollo
- Second drill rig brought on site and operational during the quarter to increase drilling capacity by 250%

#### *Corporate*

- Release of technical video series explaining the structure and context of Sunday Creek mineralisation.

#### *OHS*

- During the quarter, SXG continued its excellent Health and Safety record with no Lost Time Injuries (LTI). The company continues to improve safety at its Nagambie core shed and projects with the implementation of new risk management procedures and policies designed to safeguard our growing workforce.

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

#### SOUTHERN CROSS GOLD LTD

Level 21, 459 Collins Street, Melbourne Vic 3000 Australia  
Justin Mouchacca - Company Secretary  
p: +61 3 8630 3321 e: [jm@southerncrossgold.com.au](mailto:jm@southerncrossgold.com.au)  
Nicholas Mead - Investor Relations  
p: +61 415 153 122 e: [info@southerncrossgold.com.au](mailto:info@southerncrossgold.com.au)

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

## Company overview

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 km<sup>2</sup>. The Mt Isa Project covers 861 km<sup>2</sup> 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 km<sup>2</sup> of tenements controlled by Nagambie in central Victoria.

## 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 fifteen (15) >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.

The Company reported five holes for 1,460.2 m for the period (SDDSC034-036, SDDSC038-039). 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 SDDSC034-36 tested the near-surface and strike extensions of the Apollo shoot.

Drillhole SDDSC034, drilled to test the near-surface extensions of the Apollo area, intersected 9.0 m @ 1.9 g/t AuEq (1.8 g/t Au and 0.1% Sb) from 43.8 m in hole including **1.2 m @ 7.1 g/t AuEq (6.4 g/t Au and 0.4% Sb) from 44.8 m and 0.3 m @ 7.6 g/t AuEq (0.0 g/t Au and 4.8% Sb) from 131.2 m.**

SDDSC035 and SDDSC036 were drilled to test the SE-NW extensions of the Apollo shoot over a 30 m strike distance from SDDSC033 (119.2m @ 3.2 g/t Au and 0.4% Sb (3.9 g/t AuEq)) drilled in the previous quarter. Drillhole SDDSC035 intersected a significant width of **42.4 m @ 1.0 g/t AuEq (0.8 g/t Au and 0.1% Sb) from 87.8 m**, including:

- **0.6 m @ 16.4 g/t AuEq (16.4 g/t Au and 0.0% Sb) from 100.5 m**
- **0.2 m @ 30.9 g/t AuEq (3.2 g/t Au and 17.5% Sb) from 111.4 m**

Drillhole SDDSC036 intersected **12.4 m @ 1.9 g/t AuEq (1.4 g/t Au and 0.3% Sb) from 160.0 m**, including:

- **0.3 m @ 7.29 g/t AuEq (7.0 g/t Au and 0.2% Sb) from 160.4 m**

- **0.5 m @ 11.3 g/t AuEq (8.5 g/t Au and 1.8% Sb) from 170.5 m**

Drill holes SDDSC038-39 proved to be the **second and fourth best holes drilled so far on the property** and showed **continuity of widths and grade in the Apollo shoot** around the earlier spectacular result in SDDSC033 and drilled over a 100 m distance, above and below that hole. These holes are amongst the best holes drilled into the Sunday Creek project based on cumulative grade x metres.

Drill hole SDDSC039 was drilled 30 m below SDDSC033 and intersected:

- **42.0 m @ 4.8 g/t AuEq (3.5 g/t Au and 0.8% Sb) from 166.0 m, including:**
- **13.0 m @ 13.9 g/t AuEq (10.0 g/t Au and 2.5% Sb) from 194.0 m**

Higher-grade zones included:

- **1.0 m @ 23.7 g/t AuEq (19.8 g/t Au and 2.5% Sb) from 197.6 m**
- **1.5 m @ 22.6 g/t AuEq (14.9 g/t Au and 4.9% Sb) from 199.3 m**
- **0.7 m @ 105.7 g/t AuEq (84.0 g/t Au and 13.8% Sb) from 202.0 m**
- **0.5 m @ 82.6 g/t AuEq (42.9 g/t Au and 25.1% Sb) from 203.4 m**

Drill hole SDDSC038 was drilled 60 m above SDDSC033 and intersected:

- **15.3 m @ 4.2 g/t AuEq (2.8 g/t Au and 0.9% Sb) from 141.0 m**

Higher grade zones in SDDSC038 in the section containing the Apollo shoot included:

- **0.8 m @ 21.3 g/t AuEq (0.3 g/t Au and 13.3% Sb) from 98.5 m**
- **0.6 m @ 12.2 g/t AuEq (0.1 g/t Au and 7.7% Sb) from 101.7 m**
- **0.3 m @ 28.1 g/t AuEq (3.6 g/t Au and 15.5% Sb) from 142.4 m**
- **0.3 m @ 17.7 g/t AuEq (11.4 g/t Au and 4.0% Sb) from 148.0 m**
- **1.5 m @ 25.8 g/t AuEq (19.9 g/t Au and 3.7% Sb) from 149.6 m**
- **0.4 m @ 20.6 g/t AuEq (19.6 g/t Au and 0.7% Sb) from 195.8 m**

SDDSC038 also identified two new veins drilled 70 m and 100 m further east than previously drilled:

- **Vein 1: 1.0 m @ 11.5 g/t AuEq (7.5 g/t Au and 2.5% Sb) from 235.0 m and 0.2 m @ 10.0 g/t AuEq (8.2 g/t Au and 1.2% Sb) from 238.0 m**
- **Vein 2: 0.6 m @ 28.3 g/t AuEq (0.9 g/t Au and 17.4% Sb) from 306.3 m**

### **Additional Drill Rig Mobilised**

A second drill rig was mobilised at the Sunday Creek project during the quarter to increase drill capacity on the project. The second rig is operated by two drill crews that effectively increases drill capacity by 250% (up from the single shift, single rig that had been operational previously).

### **Geological and Scale Comparison to Other Victorian Epizonal Deposits**

By the end of the quarter, the Company had drilled 13,500 m at Sunday Creek since late 2020 and considers Sunday Creek to have the potential to be a significant exploration discovery in Victoria with fifteen (15) >100 cumulative grade x m ("AuEq g/t x m") holes intersected to the end of the period. Drill holes SDDSC038-039 form the second and fourth best drill holes to be drilled to date at Sunday Creek based on AuEq g/t x m after SDDSC033 reported last quarter. The third best hole (MDDSC025 11.7 m @ 18.0 g/t AuEq drilled by Mawson Gold Ltd before the Company's IPO) lies 200 m below SDDSC033 showing the scale of the developing system. Mineralisation remains open at depth and along strike.

A 10 km mineralised trend that extends beyond the drill area is defined by historic workings and soil sampling at Sunday Creek which has yet to receive any exploration drilling and offers potential future upside.

The Company is the freehold landholder of 132.64 hectares that forms the key portion in and around the drilled area at the Sunday Creek Project. Geologically, the project is located within the Melbourne Structural Zone in the Lachlan Fold Belt. The regional host to the Sunday Creek mineralisation is an interbedded turbidite sequence of siltstones, minor sandstones metamorphosed to sub-greenschist facies and folded into a set of open NW trending folds. Mineralisation at Sunday Creek is controlled by veining, stibnite-gold-matrix breccias and brittle faults. The immediate 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 Fosterfield and Costerfield, gold (sometimes visible (Photos 1 – 3)) at Sunday Creek is hosted in quartz and carbonate veins, with a later intense stibnite-bearing vein and breccia overprint. A larger arsenic anomaly is associated with the gold mineralisation, mostly represented by arsenian-pyrite but developing to arsenopyrite-bearing zones with a clear spatial relationship to high-grade gold.

Mineralised shoots at Sunday Creek are formed at the intersection of the sub-vertical to shallower dipping 330 degree striking mineralised veins and a steep east-west striking, north dipping structure formed by dioritic dykes and related intrusive breccias. The dimensions of each shoot will be uncovered with further drilling, but typically:

- In the down plunge orientation (80 degrees towards trend of 020 degrees), the shoots are extensive and have been drilled down over 400 m and remain open to depth, with grades improving (for example MDDSC025 11.7 m @ 18.0 g/t AuEq (12.4 g/t Au and 3.6% Sb) including 4.0 m @ 46.7 g/t AuEq (31.9 g/t Au and 9.4% Sb)).
  - Visible gold in other epizonal deposits (for example Fosterfield and Costerfield) becomes increasingly significant at depth below approximately 800 m, most likely representing the different temperatures of formation of Au-Sb and Au dominant mineralisation.
- Are 20 m to 30 m wide in the up-dip/down-dip orientation but can blow out to be wider (ie around SDDSC033), and;
- Further drilling is required to establish the average thickness but drilling so far suggests a thickness of 20 m to 30 m.

Figures 1-4 show project longitudinal section and plan views of drill results reported here, Tables 1–3 provide collar and assay data and Photos 1-3 show visible gold found in hole SDDSC039.

The true thickness of the mineralised intervals is interpreted to be approximately 60-70% of the sampled thickness. Drill results quoted have a lower cut of 0.3 g/t Au cut over a 3.0 m width, with higher grades reported with a 5 g/t Au cut over 1.0 m applied unless otherwise indicated\* where 0.1 g/t Au over 7.0 m was applied for broader intersection through length of mineralised structure.

### **Critical Metal Epizonal Gold-Antimony Deposits**

Sunday Creek is an epizonal gold-antimony deposit formed in the late Devonian period (similar to Fosterfield, 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 (<6km), mesozonal (6-12km) and hypozonal (>12km).

Epizonal deposits in Victoria often have associated high levels of the metal, antimony, and Sunday Creek is no exception. 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 SXG projects. Antimony alloys with lead and tin which results in improved properties for solders, military applications, 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.

### **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 × Sb (%)***.

### **Queensland Projects**

During the quarter there was no significant exploration activities carried out at the Company's Queensland exploration permits. EPM 26483 was due for renewal and following a review of the exploration conducted to date and depth of cover, the Company elected not to renew this permit.

### **Corporate**

#### **Technical Videos**

The Company released a technical two-part video compilation during the quarter of discussion and analysis of the Sunday Creek project that is available on the [SXG website](#):

- Part 1: Dr Cook, SXG's Technical Adviser explores the geology of SXG's Sunday Creek tenement [https://youtu.be/9\\_NvY7N6ADs](https://youtu.be/9_NvY7N6ADs)
- Part 2 – Analysis of SXG's Sunday Creek project using LeapFrog 3D modelling software <https://youtu.be/x16HQqE0B-g>

### **Stakeholder Value Creation**

During the quarter, SXG continued its excellent Health and Safety record with no Lost Time Injuries (LTI). The company continues to improve safety at its Nagambie core shed and projects with the implementation of new risk management procedures and policies designed to safeguard our growing workforce.

SXG are leaders at creating diversity in the mining industry with 50% our workforce being female. We have implemented a job-sharing arrangement with our field shed staff. Our flexible work arrangements give us a competitive advantage as they boost recruitment efficiency and cut costs.



To add to our commitment to greater diversity in mining, SXG is in the process of partnering with a regional disability support provider, Goulburn Options (<https://www.goinc.org.au/>) to manufacture exploration consumables such as core blocks for our projects locally. Goulburn Options is based in Seymour, less than half an hour's drive from our Sunday Creek Project. It is envisaged that this partnership will provide work experience, jobs and business management skills for disabled people in the Seymour region. By manufacturing our exploration consumables locally, we will also be cutting down on expensive freight and greenhouse gas emissions.

We continue to support the local community that surrounds our Sunday Creek project by becoming members of the Clonbinane Community Emergency Planning Group. Communities and organisations throughout Victoria are adopting and using the Community Based Emergency Management (CBEM) approach to better connect and work together before, during and after emergencies. By being involved in this planning group we will strengthen connections in the community, build relationships by working together to identify priorities and develop solutions to make our local community and the Sunday Creek project safer.

In this quarter we also commenced tours of the Sunday Creek Project for residents in the Clonbinane area. More tours are planned for the coming quarter and we are in the process of creating a Clonbinane Community Reference Group to ensure that the community is engaged in the project and that we create a forum for shared learning and continuous improvement.

## 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	-	Relinquished 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	\$938,692
Whroo exploration	\$550,250	\$45,255
Redcastle exploration	\$1,204,950	\$28,375
Mt Isa exploration	\$500,000	\$40,655
Freehold land purchase and capital items	\$2,000,000	\$1,773,500
Admin and corporate	\$1,925,000	\$595,781
Costs of the Offers	\$889,600	\$863,526*
Remaining working capital	\$313,300	-
<b>Total</b>	<b>\$11,293,000</b>	<b>\$4,285,784</b>

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

### Appendix 5B related party payments

Amounts included in section 6.1 of the Appendix 5B relate to Directors fees paid for the May 2022 and August 2022 quarters.

– Ends –

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

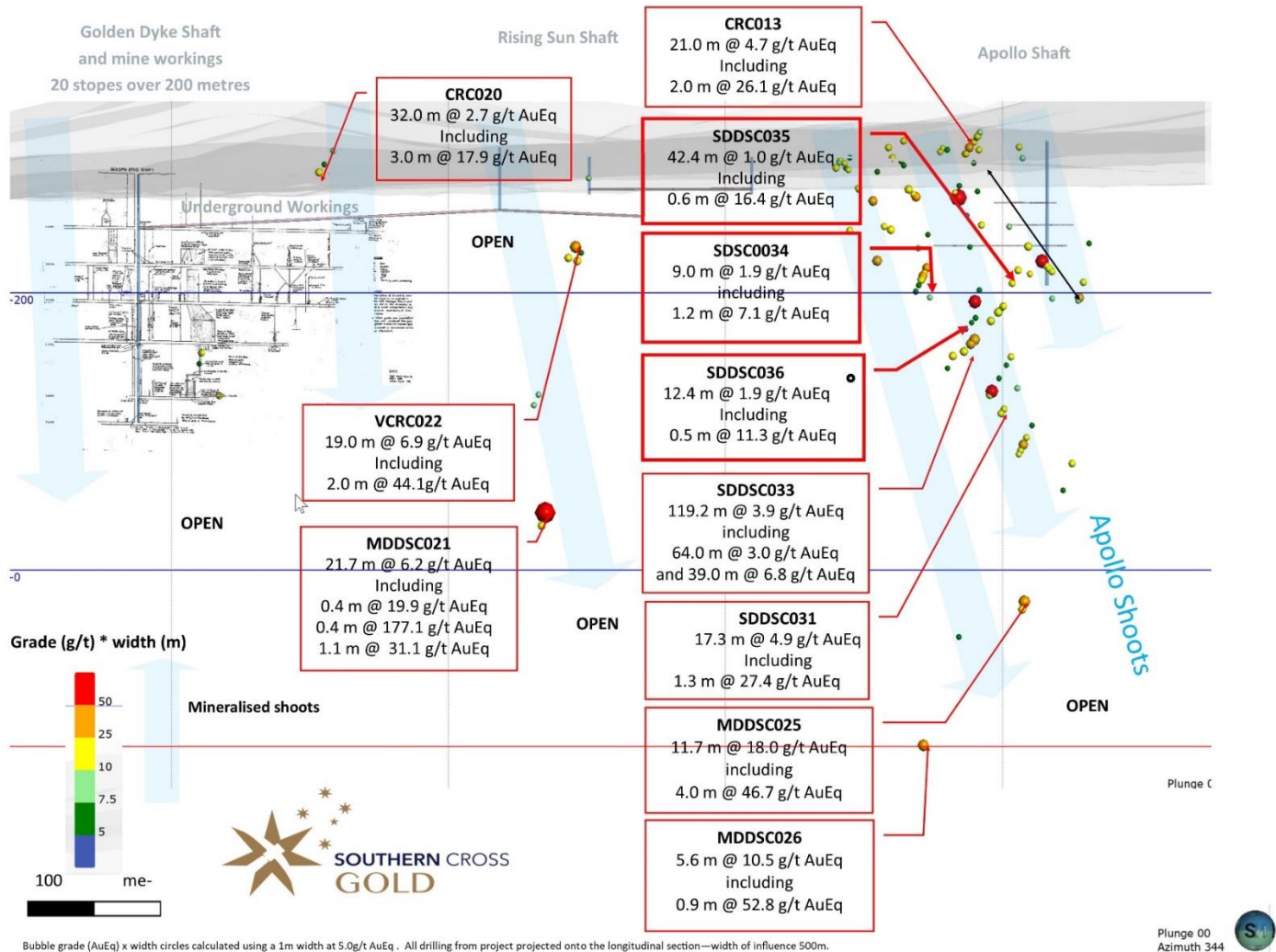


### **Competent Person Statement**

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](http://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.

**Figure 1:** Sunday Creek longitudinal section showing holes SDDSC034-036 and grad x width pierce points of drillholes. Broad arrows show indicative mineralised shoots. Greater than 100g/t AuEq \* m intersections shown by red circles.



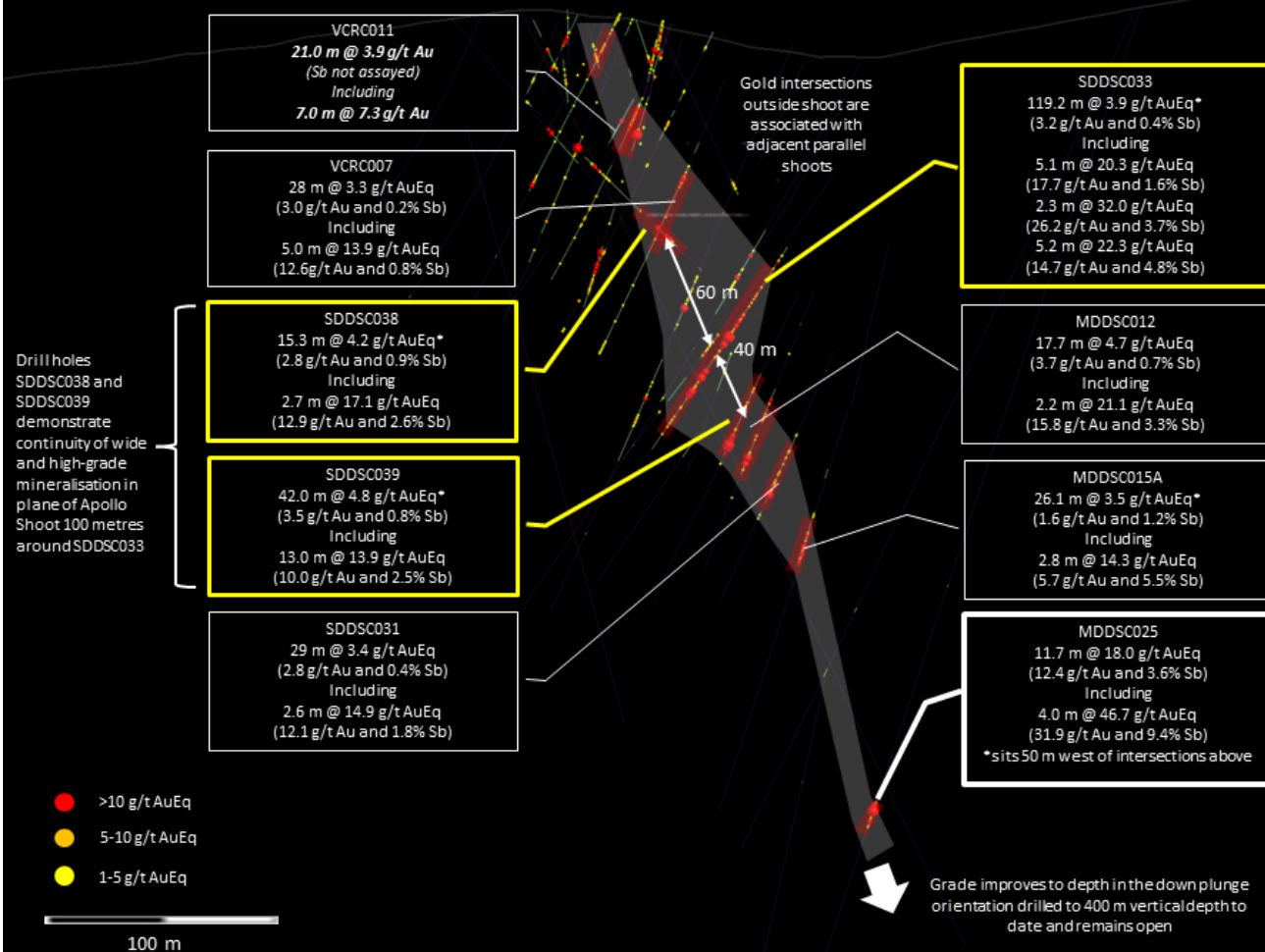
**Figure 2:** Sunday Creek longitudinal section along the Apollo shoot looking towards 320 degrees showing drillholes SDDSC038-039

## SOUTHERN CROSS GOLD LTD

Level 21, 459 Collins Street, Melbourne Vic 3000 Australia  
Justin Mouchacca - Company Secretary  
p: +61 3 8630 3321 e: jm@southerncrossgold.com.au  
Nicholas Mead - Investor Relations  
p: +61 415 153 122 e: info@southerncrossgold.com.au

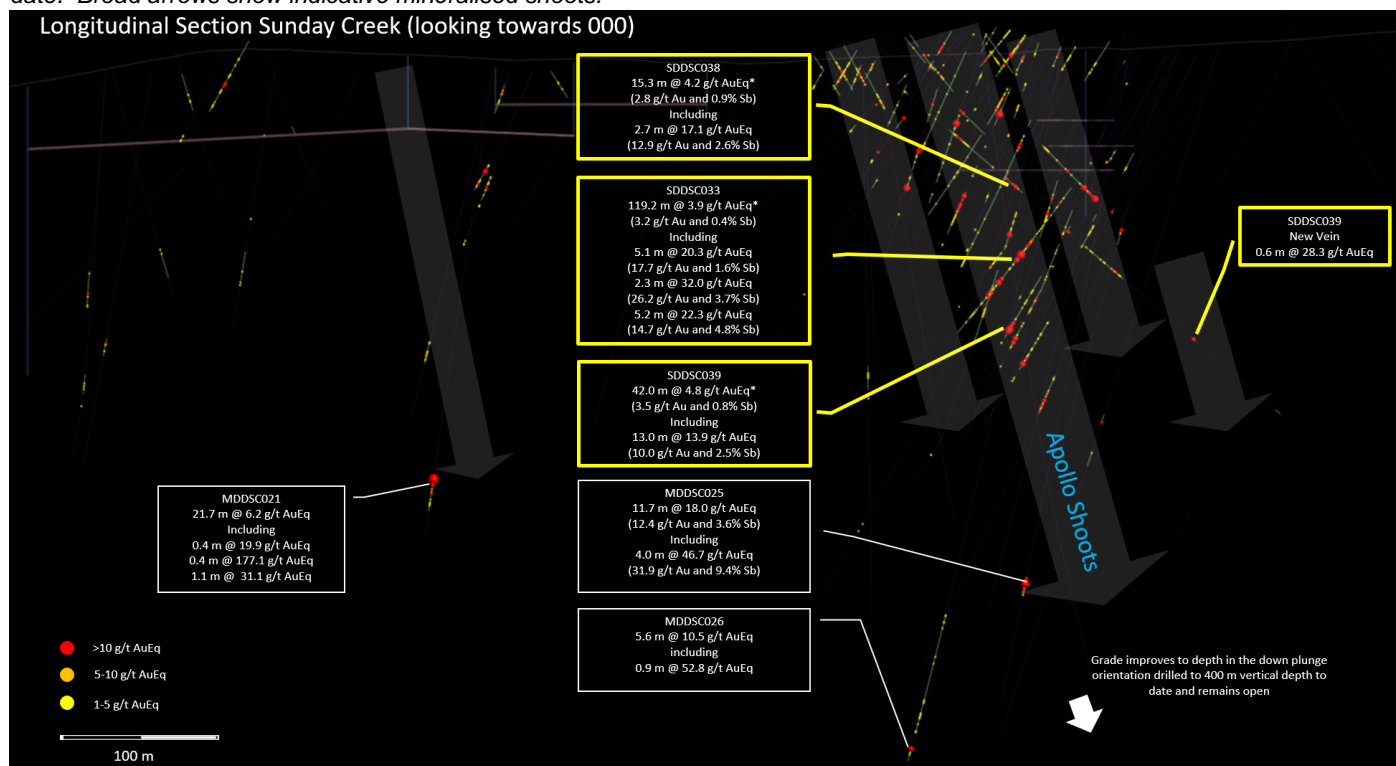
ABN: 70 652 166 795  
ASX Code: SXG  
Issued Capital: 156.2M fully paid shares

## Longitudinal Section of Apollo Shoot (looking towards 320)

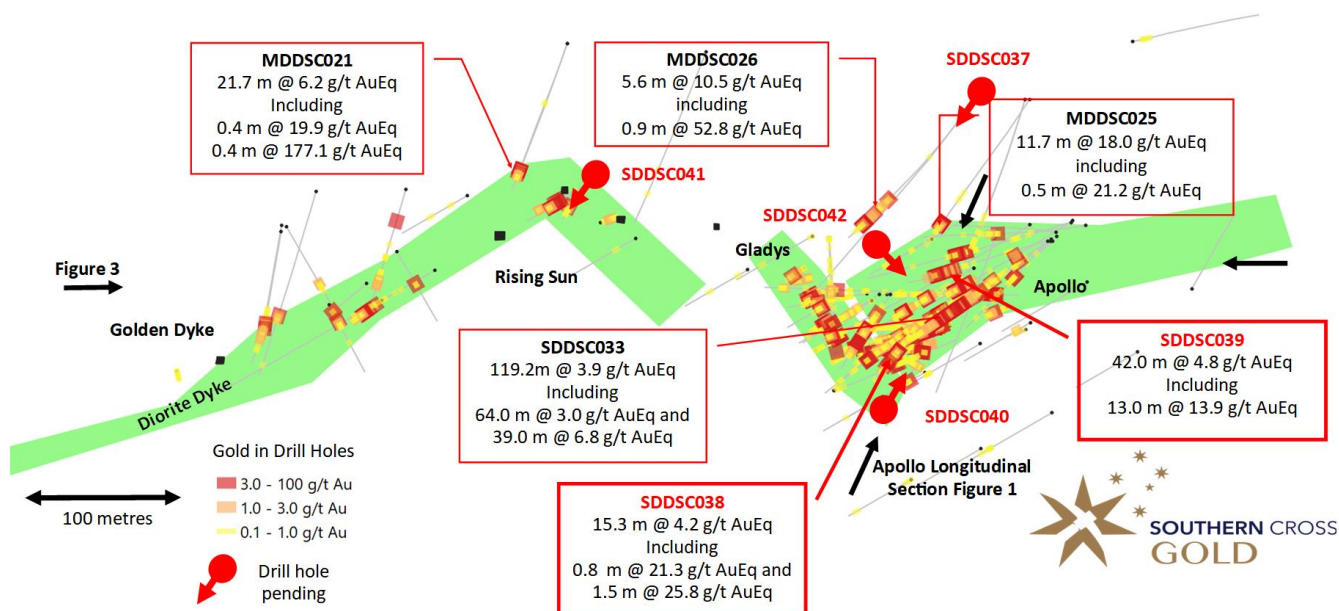


All drill results quoted have a lower cut of 0.3 g/t Au cut over a 3.0 m width, with higher grades reported with a 5 g/t Au cut over 1.0 m applied unless otherwise indicated\*.

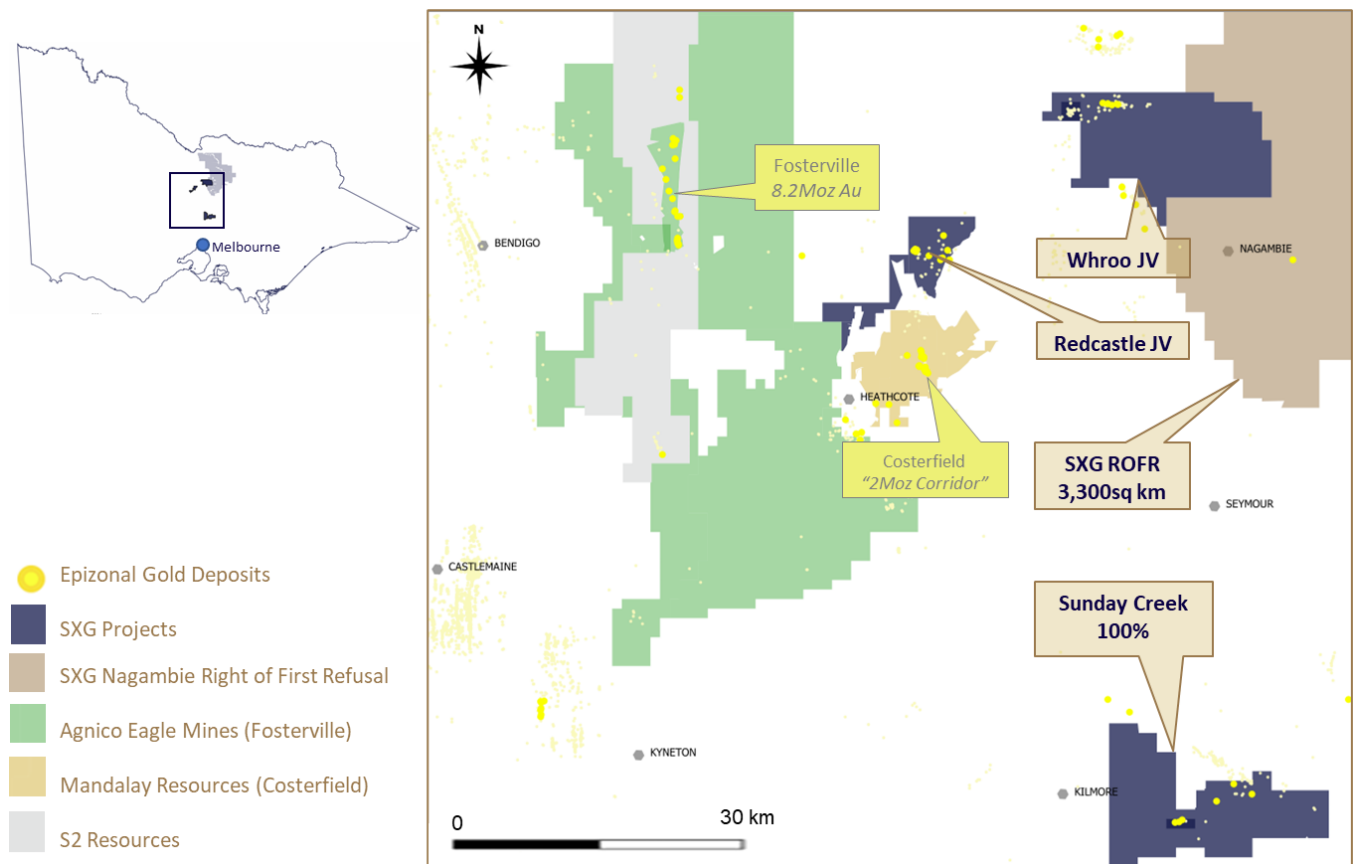
**Figure 3:** Sunday Creek east-west longitudinal section along the trend of the dyke/structure showing individual shoots defined to date. Broad arrows show indicative mineralised shoots.



**Figure 4:** Sunday Creek plan view showing a selection of drillhole results discussed in this report.

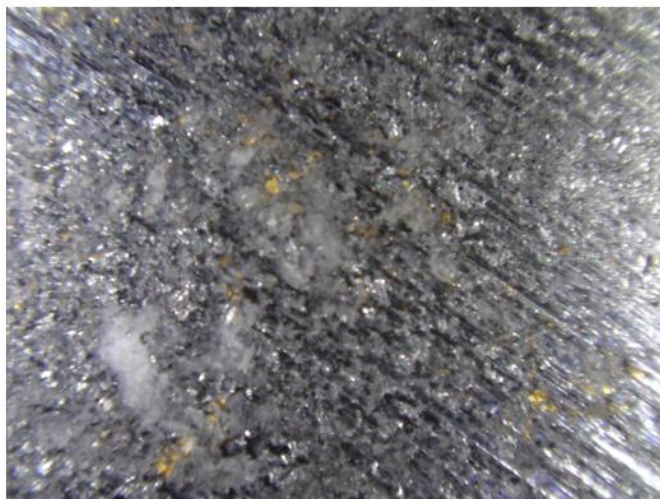


**Figure 5:** Location of SXG Victorian projects

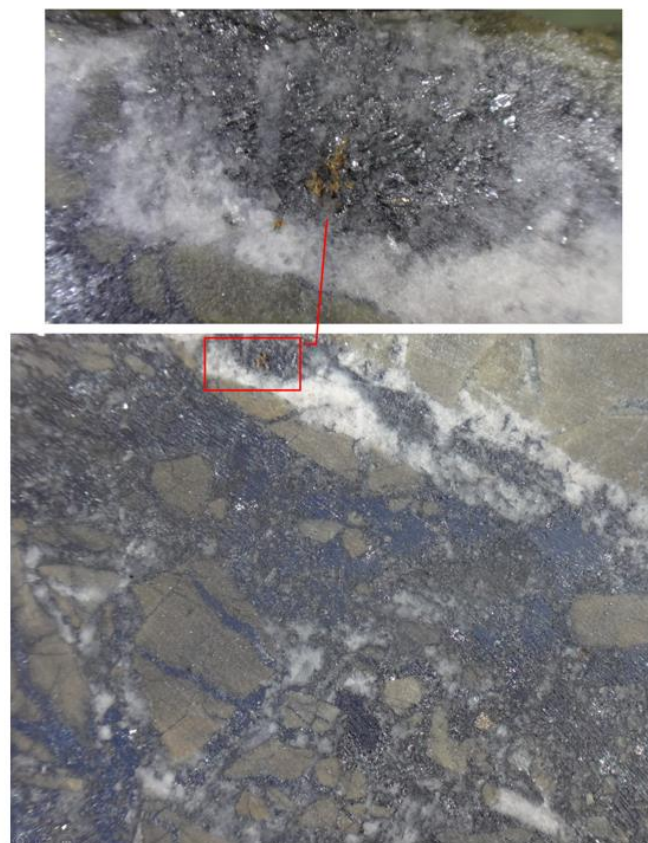




**Photo 1:** SDDSC039 @ 202.4 metres showing abundant visible gold in quartz-carbonate and stibnite matrix. Assays from two quarter core from this interval assayed **112 g/t Au** with a laboratory repeat of **130 g/t Au and 14.4% Sb** (sample 61014702) and **47 g/t Au and 13.1% Sb** (sample 61014701) for an average of **0.7 m @ 105.7 g/t AuEq (84.0 g/t Au and 13.8% Sb)** from 202.0 m. Field of view 12 mm.



**Photo 2:** SDDSC039 @ 202.7 m Stibnite-white mica altered sediment breccia zone with ferroan dolomite and quartz veins with stibnite and visible gold. Assays from two quarter core from this interval assayed 112 g/t Au with a laboratory repeat of 130 g/t Au and 14.4% Sb (sample 61014702) and 47 g/t Au and 13.1% Sb (sample 61014701) for an average of 0.7 m @ 105.7 g/t AuEq (84.0 g/t Au and 13.8% Sb) from 202.0 m. Field of view of top image is 20 mm.



**Photo 3:** SDDSC039 @ 203.7 m: Ferroan dolomite and quartz with stibnite and visible gold. Interval averaged 0.5 m @ 82.6 g/t AuEq (42.9 g/t Au and 25.1% Sb) from 203.7 m. Field of view of top image is 15 mm.



**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
SDDSC034	HQ	165.3	Apollo	331089	5867789	313.41	221	-63.1
SDDSC035	HQ	280	Apollo	331124	5867845	303.86	210	-60.0
SDDSC036	HQ	290	Apollo	331154	5867856	305.3	238	-50.1
SDDSC038	HQ	401.9	Apollo	330965.3	5867725.3	314.5	63.9	-37.2
SDDSC039	HQ	323	Apollo	331172	5867842	306.3	249.0	-57.0

**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	to	width	Au g/t	Sb %	AuEq g/t
SDDSC034	44.0	46.0	2.0	5.6	0.3	6.0
SDDSC034	64.5	64.8	0.3	1.5	2.2	5.0
SDDSC034	131.2	131.5	0.3	0.0	4.8	7.6
SDDSC035	100.5	101.1	0.6	16.4	0.0	16.4
SDDSC035	111.4	112.0	0.6	5.2	5.9	14.6
SDDSC036	160.4	160.7	0.3	7.0	0.2	7.3
SDDSC036	164.8	165.2	0.4	1.9	2.2	5.4
SDDSC036	170.5	172.4	1.9	2.5	1.2	4.4
SDDSC038	98.5	99.3	0.8	0.3	13.3	21.3
SDDSC038	101.7	103.0	1.3	0.1	5.4	8.6
SDDSC038	142.4	142.7	0.3	3.6	15.5	28.1
SDDSC038	148.0	148.3	0.3	11.4	4.0	17.7
SDDSC038	149.6	152.3	2.7	12.9	2.6	17.1
SDDSC038	195.8	197.2	1.4	12.5	0.2	12.8
SDDSC038	217.8	218.4	0.6	1.7	3.0	6.4
SDDSC038	235.0	236.9	1.9	5.1	2.3	8.7
SDDSC038	238.0	238.2	0.2	8.2	1.2	10.0
SDDSC038	240.6	240.9	0.3	3.0	1.8	5.8
SDDSC038	306.3	306.9	0.6	0.9	17.4	28.3
SDDSC039	78.9	79.3	0.4	1.4	3.8	7.3
SDDSC039	194.8	195.1	0.3	2.2	3.0	7.0
SDDSC039	197.6	200.8	3.2	13.1	3.0	17.8
SDDSC039	202.0	203.9	1.8	43.2	11.4	61.2

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

Drill Hole	from	to	width	Au g/t	Sb %	AuEq g/t
SDDSC034	2.0	3.2	1.2	0.3	0.0	0.3
SDDSC034	7.0	10.0	3.0	1.1	0.0	1.2
SDDSC034	28.6	30.0	1.4	2.0	0.1	2.2
SDDSC034	38.8	40.0	1.2	0.3	0.1	0.5
SDDSC034	43.8	50.0	6.2	2.5	0.1	2.7

SDDSC034	64.0	65.5	1.6	0.8	0.6	1.7
SDDSC034	105.3	109.0	3.7	2.0	0.1	2.1
SDDSC034	131.2	131.5	0.3	0.0	4.8	7.6
SDDSC034	144.8	146.4	1.6	1.2	0.0	1.2
SDDSC035	90.2	92.0	1.8	0.4	0.1	0.5
SDDSC035	98.2	102.1	3.9	2.7	0.1	2.8
SDDSC035	107.4	121.8	14.4	1.3	0.4	2.0
SDDSC035	125.5	129.8	4.3	0.3	0.0	0.3
SDDSC035	147.7	148.1	0.4	0.4	0.0	0.4
SDDSC035	172.2	175.3	3.1	0.6	0.0	0.6
SDDSC036	160.0	172.4	12.4	1.4	0.3	1.9
SDDSC036	187.0	189.0	2.0	0.5	0.0	0.5
SDDSC036	193.0	199.0	6.0	0.5	0.0	0.5
SDDSC036	205.0	207.0	2.0	0.9	0.0	0.9
SDDSC036	212.9	213.6	0.7	0.7	0.0	0.7
SDDSC036	225.0	225.6	0.6	0.5	0.0	0.5
SDDSC038	17.0	18.0	1.0	0.7	0.0	0.7
SDDSC038	24.0	25.6	1.6	1.3	0.0	1.4
SDDSC038	51.8	53.9	2.1	1.7	0.2	2.0
SDDSC038	92.0	109.6	17.6	0.9	1.2	2.7
SDDSC038	113.9	117.4	3.5	0.5	0.0	0.6
SDDSC038	120.7	124.0	3.3	0.4	0.0	0.4
SDDSC038	130.0	131.0	1.0	2.3	0.0	2.3
SDDSC038	141.0	152.8	11.8	3.6	1.2	5.5
SDDSC038	171.6	172.5	0.9	1.0	0.0	1.0
SDDSC038	195.8	197.2	1.4	12.5	0.2	12.8
SDDSC038	209.2	212.7	3.5	0.4	0.1	0.5
SDDSC038	215.8	218.4	2.6	0.9	0.7	2.1
SDDSC038	221.0	222.6	1.6	0.5	0.2	0.8
SDDSC038	224.6	230.0	5.4	0.7	0.1	0.8
SDDSC038	234.0	243.5	9.5	1.9	0.7	3.0
SDDSC038	287.0	288.0	1.0	0.3	0.0	0.3
SDDSC038	294.7	295.1	0.4	0.3	0.0	0.3
SDDSC038	305.5	307.8	2.3	0.3	5.1	8.3
SDDSC038	380.0	382.0	2.0	0.7	0.1	0.8
SDDSC039	72.6	73.6	1.0	0.4	0.1	0.5
SDDSC039	78.9	83.0	4.1	0.4	0.5	1.1
SDDSC039	101.4	101.8	0.4	0.6	0.0	0.6
SDDSC039	166.0	166.8	0.8	0.3	0.0	0.4
SDDSC039	169.6	187.0	17.4	1.0	0.1	1.1
SDDSC039	194.0	207.0	13.0	10.0	2.5	13.9
SDDSC039	212.0	212.4	0.4	2.6	0.2	2.9
SDDSC039	296.0	296.8	0.8	0.1	2.9	4.7

## 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 August 2022

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(219)	(219)
	(e) administration and corporate costs	(303)	(303)
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)	-	-
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(522)</b>	<b>(522)</b>
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(588)	(588)
	(e) investments	-	-
	(f) other non-current assets	-	-



<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
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 (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(588)</b>	<b>(588)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
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	(45)	(45)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(45)</b>	<b>(45)</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>	<b>(1,155)</b>	<b>(1,155)</b>
4.1	Cash and cash equivalents at beginning of period	7,946*	7,946*
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(522)	(522)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(588)	(588)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(45)	(45)

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of period</b>	<b>6,791</b>	<b>6,791</b>

\* Cash balance adjusted to include call deposits from 31 May 2022.

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	6,791	7,919
5.2	Call deposits	-	27
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>6,791</b>	<b>7,946</b>

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	(127)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

*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.*

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

<b>7.</b>	<b>Financing facilities</b> <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>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	-	-
7.5	<b>Unused financing facilities available at quarter end</b>		-
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		

<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(522)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(588)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,110)
8.4	Cash and cash equivalents at quarter end (item 4.6)	6,791
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	6,791
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	6.12
	<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.

29 September 2022

Date: .....

The 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.