

SXG WELCOMES VICTORIAN GOVERNMENT INVESTMENT IN STRATEGIC PROJECT FACILITATION

25 MAY 2023

Melbourne, Australia — Southern Cross Gold Ltd (“SXG” or the “Company”) (ASX: SXG) welcomes the Victorian government delivering on its planned regulatory reform for the Victorian resources industry.

The Victorian government this week announced it will invest \$23.3m to enhance regulator capability and approvals processes by establishing an Earth Resources Approvals Coordinator similar to the initiative used successfully for the quarrying industry. This will facilitate project approvals and streamline the regulatory landscape across departmental jurisdictions, reducing overlap and accelerate timeframes and outcomes. It will also deliver regional development opportunities in Victoria.

Southern Cross Gold’s Managing Director, Michael Hudson states, *“It is great news that the Victorian Government has recognised the importance of the Victorian mining industry to meet Australia’s critical metals strategic goals in a commercial timeframe. SXG is proud to be part of an industry willing and able to take up the challenge to develop Victoria’s critical and strategic projects to the highest environmental and social standards.*

“We have a running start. Victoria is now producing more gold than it has for one hundred years. Historically and economically, antimony is the second most important metallic commodity in Victoria, after gold. Antimony is both critical and strategic and Victoria hosts significant antimony resources. However, not all of these resources are currently being extracted, with only 2% of global supplies coming from Australia, and more specifically Victoria. The establishment of an Earth Resources Approvals Coordinator to provide strategic project facilitation to help strategic mining projects navigate through the various array of Acts, regulators and tiers of government to deliver regional development opportunities in Victoria is a welcome development.

“Our flagship project at Sunday Creek has the opportunity to become a significant gold project and potentially one of Australia’s largest antimony suppliers. Our project, amongst others in Victoria, provides the opportunity to regain a western antimony supply chain and change the dynamic of concentrate sales and smelting globally - with a direct positive impact for Victoria. A secure supply of critical metals is essential for the renewable energy transition. You cannot have one without the other.”

- Ends -

This announcement has been approved for release by the Board of Southern Cross Gold Ltd.

Critical Metal Epizonal Gold-Antimony Deposits

Sunday Creek (Figure 1) is an epizonal gold-antimony deposit formed in the late Devonian (like Fosterville, Costerfield, Redcastle and Whroo), 60 million years later than mesozonal gold systems formed in Victoria (for example 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).

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,

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: 183.8M fully paid shares

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, munitions, 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.

About Southern Cross Gold Ltd



The Southern Cross Gold corporate branding embodies important characteristics of the new entity. The blue lettering acknowledges the state colour of Victoria, and the gold recognises the Victorian goldfields. The Southern Cross is a constellation also represented on the Australian flag which provides a strong cultural significance to all Australians. The main 7-pointed star represents the unity of the six states and the territories of the Commonwealth of Australia and the

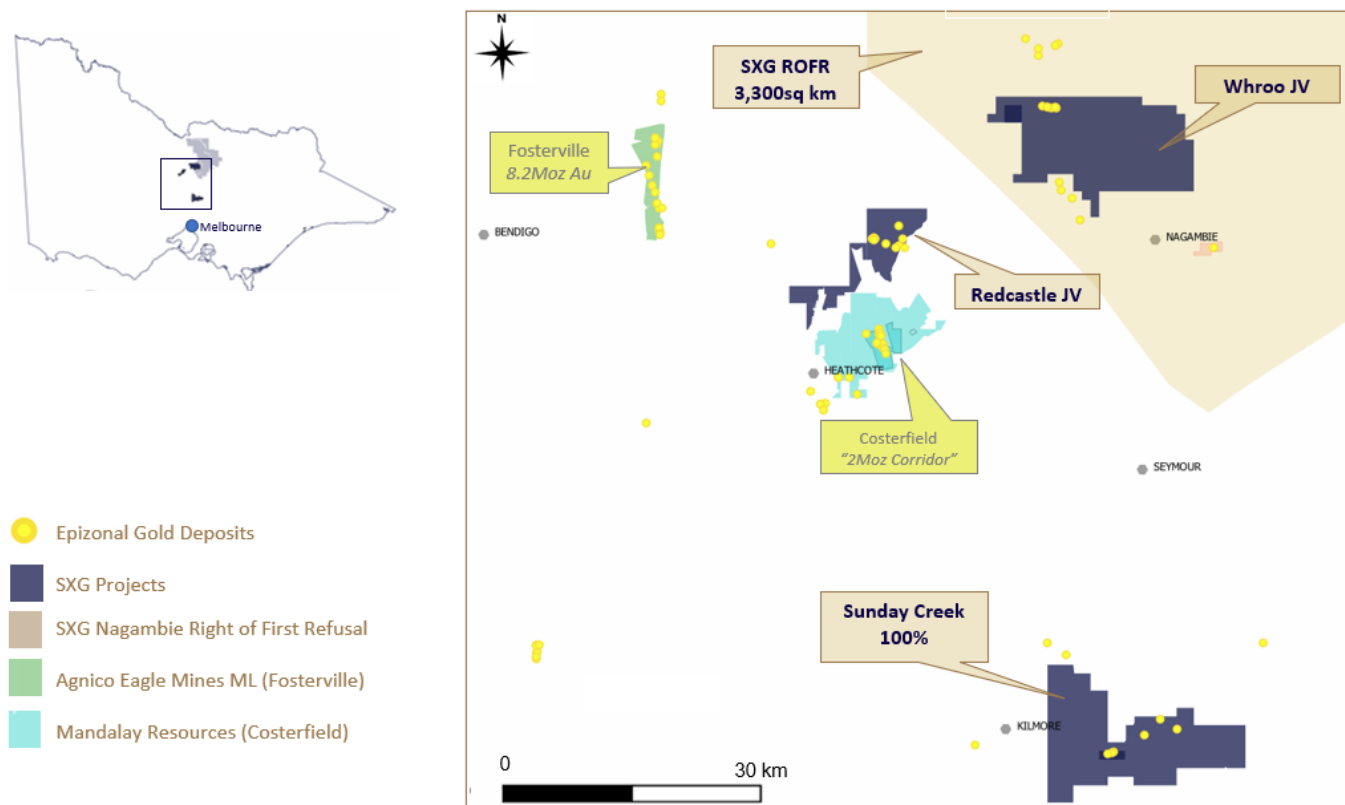
addition of a miner's pickaxe within the body of the star reflects the central place that mineral exploration has in Australia and, of course, to Southern Cross Gold.

For further information, please contact:

Justin Mouchacca, Company Secretary, jm@southerncrossgold.com.au, +61 3 8630 3321

Nicholas Mead, Investor Relations, nm@southerncrossgold.com.au, +61 415 153 122

Figure 1: Location of the Sunday Creek project, along with SXG's other Victoria projects.



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: 183.8M fully paid shares