

ASX Release

31 July 2014

**Southern Crown
Resources Limited**

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Contact:

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Directors / Officers:

Rhod Grivas
Mark Papendieck
Adrian Hill

Issued Shares and Options:

Shares: 30 million
Unlisted options: 1.5 million

ASX Code: SWR

JUNE 2014 QUARTERLY ACTIVITIES REPORT

During the quarter ended 30 June 2014, Southern Crown Resources Limited ("**Southern Crown**" or "**the Company**"), has continued to evaluate new mineral resource opportunities both in Australia and overseas to supplement its existing Australian projects as well as undertake further work at Ropewalk.

Ropewalk Project (EPM 17643)

The Ropewalk tenement was granted 3 August 2012. During the March quarter the Company received encouraging results from the RC drilling program completed east of the Mt Jack ML6781, a small 600m x 300m mining lease excised from the 100% Company owned Ropewalk EPM 17643, owned by a Chinese owned company Australia Gold Mining Pty Ltd ("Aust Gold").

The Mt Jack Line is delineated by a mineralized quartz vein located within a large regional ESE shear zone. The quartz vein can be traced through the excised Mt Jack 167,000oz gold resource onto the Ropewalk project for 1.8 kilometres and numerous historical workings are evident, including trenching and shallow mining by Union Mining in the late 1990's.

Although the mineralized shear can be traced in the drilling over the 720 metres of strike tested with anomalous silver and arsenic recorded in all holes drilled, the tenor and continuity of the gold values did not warrant immediate follow-up. The drilling does however appear to have extended the Mt Jack resource mineralization onto the Ropewalk tenement and warrants further drill testing in co-operation with Aust Gold.

Gold results previously reported from the drill program included;

- RWRC003 returned 2m @ 6.04g/t from 32 metres, inc **1m @ 10.30g/t**
- RWRC004 returned **1m @ 22.80g/t** from 32 metres
- RWRC005 returned 3m @ 4.94g/t from 70 metres, inc **1m @ 11.50g/t**
- RWRC006 returned 6m @ 1.71g/t from 88 metres, inc **1m @ 5.50g/t**
- RWRC008 returned 5m @ 3.8g/t from 50 metres, inc **1m @ 6.88g/t**

No further fieldwork was conducted during the June quarter due to the 'wet season'.

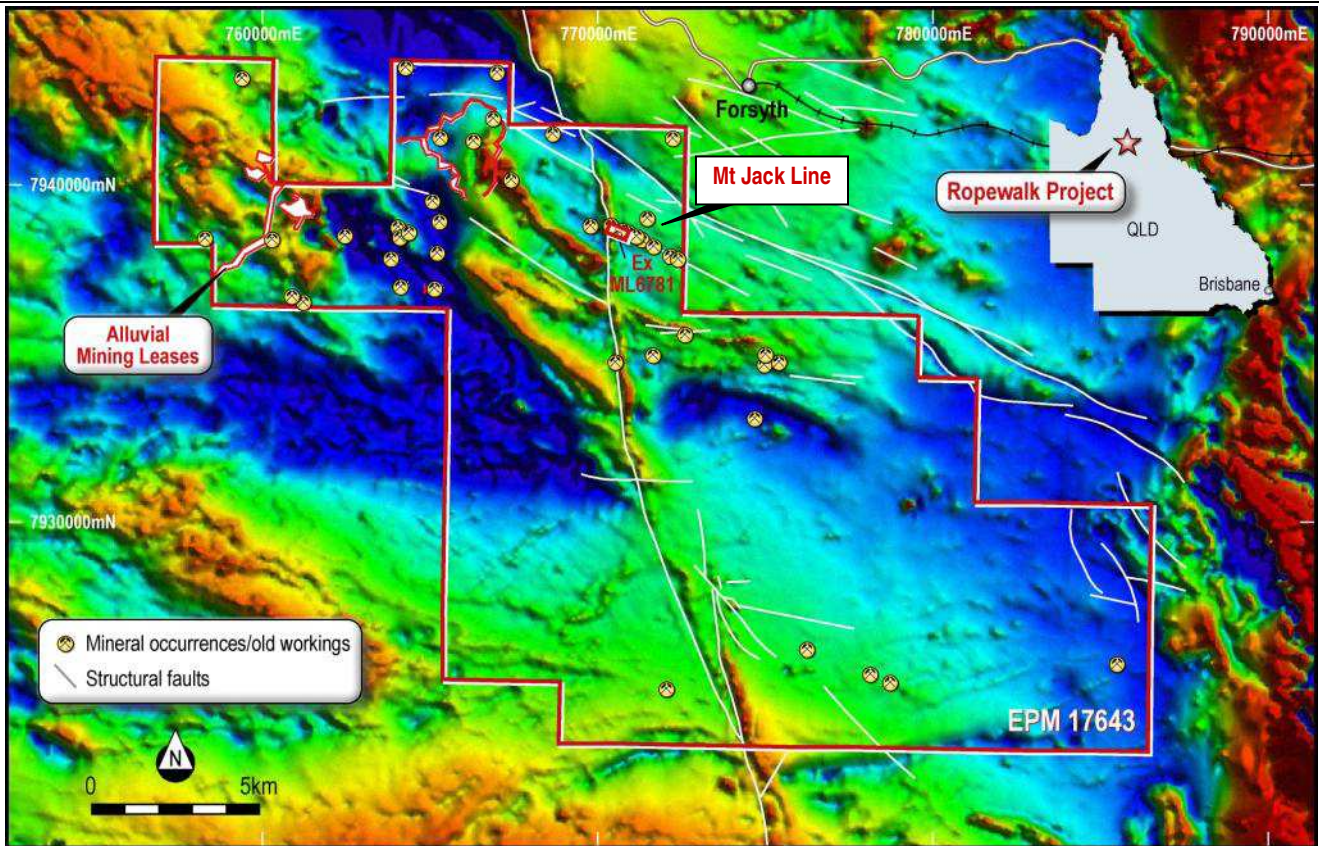


Figure 1: Ropewalk (EPM 17643) with historical mineral occurrence and the magnetics as background image



Figure 2: RC Drillhole locations

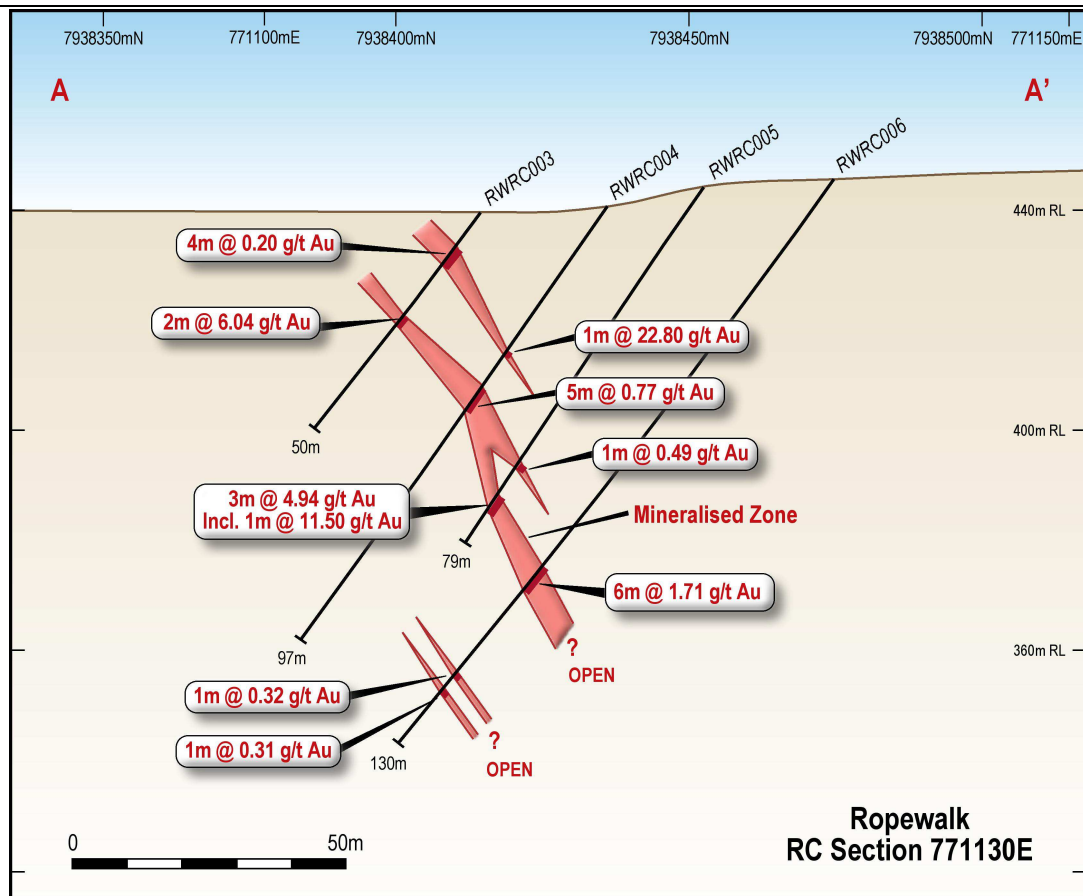


Figure 3: Oblique section - location shown on Figure 2 (GDA94-Zone54)

Future Exploration

The Mt Jack Line warrants follow-up, as the drilling highlighted good continuity adjacent to an existing deposit, however is best achieved with co-operation from Aust Gold.

A number of other targets exist on the project. The reprocessing of the historical open file electromagnetic ("EM") survey (Geotem 1992, 300m line spacing) confirmed the existence of three EM anomalies on Ropewalk.

The Tweedside anomaly is coincident with a remnant magnetized body adjacent to a major north south fault (Delaney Fault), an historical mineral occurrence called Lucky Bright Smile and an historical rock chip FSR311 which returned 21.9g/t gold, 179 g/t silver and 1.0% lead from a gossanous textured brecciated rock. BHP who were exploring for base metals did not follow up this anomaly.

The eastern EM anomaly could not be explained by BHP and appears to be along the same trend as the west-north-west Big Reef shear system and associated Mt Jack Line. The Carlisle EM anomaly is coincident with the Carlisle historical workings. Further field based sampling and mapping is planned for the September quarter.

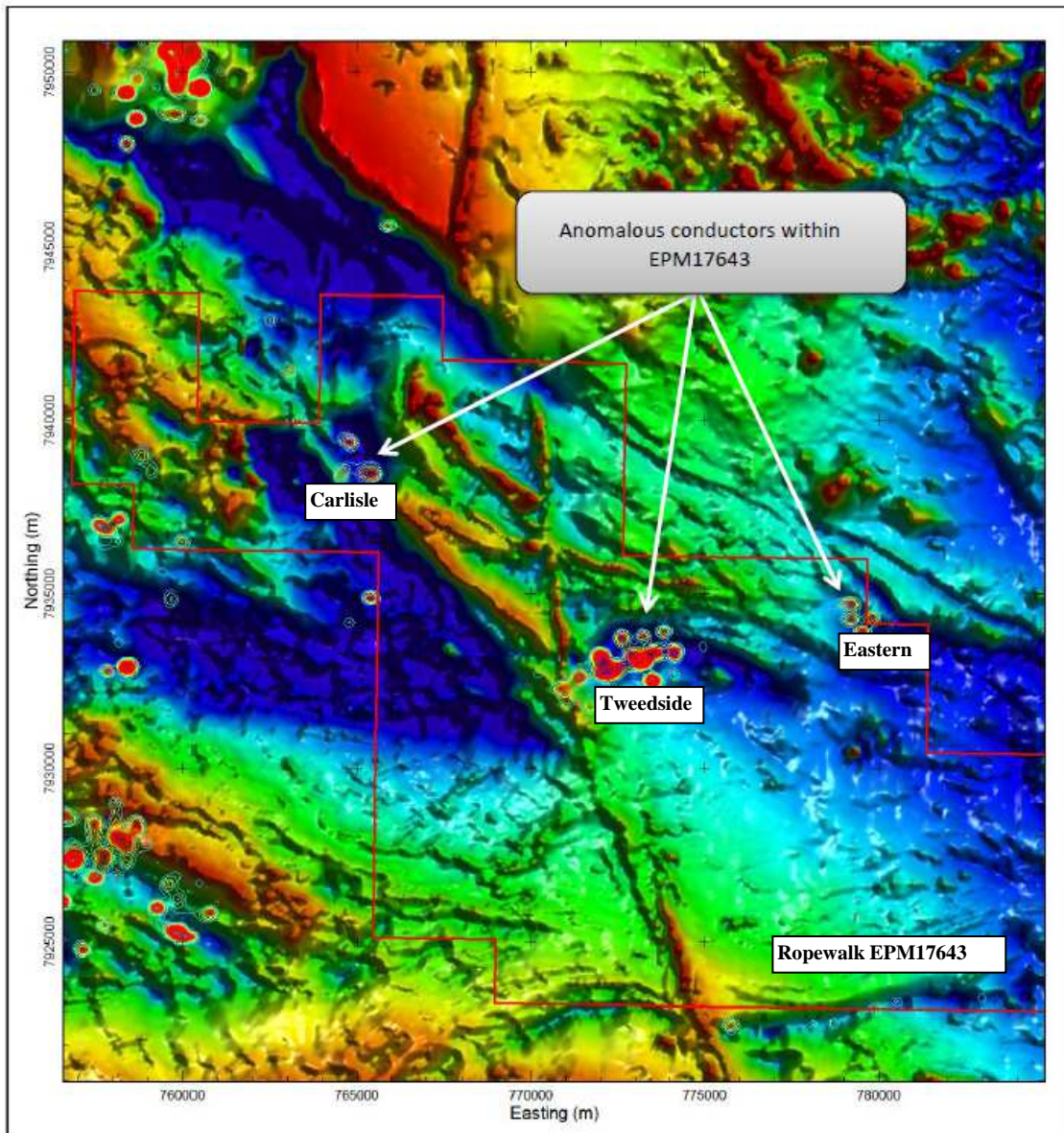


Figure 4: EM conductive contours from 150m conductive depth slice over RTP magnetics.

The Dish Project (EL 6910)

No exploration work was conducted on the Dish Project during the quarter.

Other Prospects

Southern Crown continues to evaluate new opportunities both in Australia and overseas that could add value to the company's current portfolio.

Schedule of Mining and Exploration Tenements

At 30 June 2014, the Company held the following exploration tenements:

Project Name	Locality	Tenement	Equity
Ropewalk	Queensland	Exploration Permit 17643	100%
The Dish	New South Wales	Exploration Licence 6910	100%

No tenements were acquired or disposed of during the quarter.

Cash Position

At 30 June 2014, the Company held cash reserves of approximately \$1.55 million.

Shareholder Information

At 30 June 2014, the Company had 30,001,482 shares on issue with the Top 20 holding approximately 53% of the total issued capital.

For further information please contact:

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Executive Chairman

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About Southern Crown Resources Limited

Southern Crown Resources Limited has copper-gold exploration projects located in western NSW and far north Queensland.

The Company continues to evaluate additional mineral projects considered likely to add value to shareholders.

The Board of Directors has a strong mix of technical, financial and corporate skills to successfully explore the Company's existing projects as well as source and develop further acquisition opportunities globally.

Competent Person's Statement

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Rhoderick Grivas, an employee of the Company and a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Grivas has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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'. Mr Grivas consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

SOUTHERN CROWN RESOURCES LIMITED

ABN

52 143 416 531

Quarter ended ("current quarter")

30 JUNE 2014

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (12 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(22)	(291)
	(b) business development	(4)	(13)
	(c) production	-	-
	(d) administration	(72)	(328)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	12	75
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
	Net Operating Cash Flows	(85)	(557)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	3
	Net investing cash flows	-	3
1.13	Total operating and investing cash flows (carried forward)	(85)	(554)

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(85)	(554)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(85)	(554)
1.20	Cash at beginning of quarter/year to date	1,632	2,101
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	1,547	1,547

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	54
1.24	Aggregate amount of loans to the parties included in item 1.10	-
1.25	Explanation necessary for an understanding of the transactions	
	Non-Executive and Executive Director Salaries	54

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	120
4.2 Development	-
4.3 Production	-
4.4 Administration	90
Total	210

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	2	4
5.2 Deposits at call	85	28
5.3 Bank overdraft	-	-
5.4 Other (Term Deposits)	1,459	1,600
Total: cash at end of quarter (item 1.22)	1,547	1,632

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed				
6.2 Interests in mining tenements and petroleum tenements acquired or increased				

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

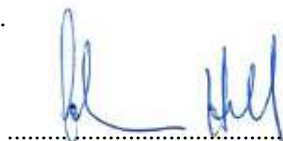
	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference *securities (description)				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy- backs, redemptions				
7.3 *Ordinary securities	30,001,482	30,001,482	Fully Paid	Fully Paid
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy- backs				
7.5 *Convertible debt securities (description)				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options (description and conversion factor)	500,000 500,000 500,000		Exercise price 0.25 0.25 0.35	Expiry date 23 Jul 2015 2 Jun 2016 2 Jun 2016
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures (totals only)				
7.12 Unsecured notes (totals only)				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does /does not* (*delete one*) give a true and fair view of the matters disclosed.

Sign here:



Date: 31/07/2014

Company Secretary

Print name:

Adrian Hill

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 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.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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