ASX Release

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Issued Shares and Options:

Shares: 37.5 million
Unlisted options: 1.5 million

ASX Code: *SWR*

LUNA-QUICKSILVER FIRST PHASE OF EXPLORATION COMPLETE

Highlights

- **Southern Crown has completed a 39 hole auger geochemical drilling program at Luna-Luna East.**
- **A channel sample program covering 445m of prospective riverbank proximal to Luna-Luna East, has been completed.**
- **A geochemical sample program has been completed covering Luna-Luna East, the major structural fault and the strike extensions.**
- **Results are expected over the coming weeks.**
- **Shareholder approval to complete placement**

The Directors of Southern Crown Resources Limited **("Southern Crown"** or **"the Company")** are pleased to report an extensive exploration program has been completed at the Luna-Quicksilver project in Alaska. Results are expected over the coming weeks.

The Luna-Quicksilver project is located approximately 550km west of Anchorage, Alaska, in the Tintina Gold belt, a belt which hosts a number of world class intrusion related gold ("IRG") systems including Donlin Creek (45Moz@ 2.21g/t), Pogo (5Moz @ 12.45g/t), Fort Knox (produced over 5Moz), Livengood (20Moz @ 0.55g/t) and Shotgun (0.7Moz @1.02g/t) (Figure .1).

The Luna-Quicksilver project consists of the 50 Luna claims, owned by Kisa Inc, the 70 Quicksilver claims owned by Black Peak LLC and 13 North Quicksilver claims owned by North Fork LLC, totaling an area of 86km^2, all 100% optioned by Southern Crown (Figure 2).

The exploration program consisted of auger geochemical sampling, channel sampling, biogeochemical sampling, rock chipping as well as geological mapping at Luna-Luna East and reconnaissance mapping and sampling at Quicksilver, Kisa and Chilly projects.

Southern Crown's Chairman, Rhod Grivas commented: ***"Although the option agreement has only recently been signed and a capital raising completed, Southern Crown has been able to undertake an effective exploration program in the remaining Alaskan summer field season.***

This exploration program has been the most detailed in the last 5 years on this project. This will give us a good platform to assess the potential and pending the outcome of the results, plan for the Phase Two program next field season"

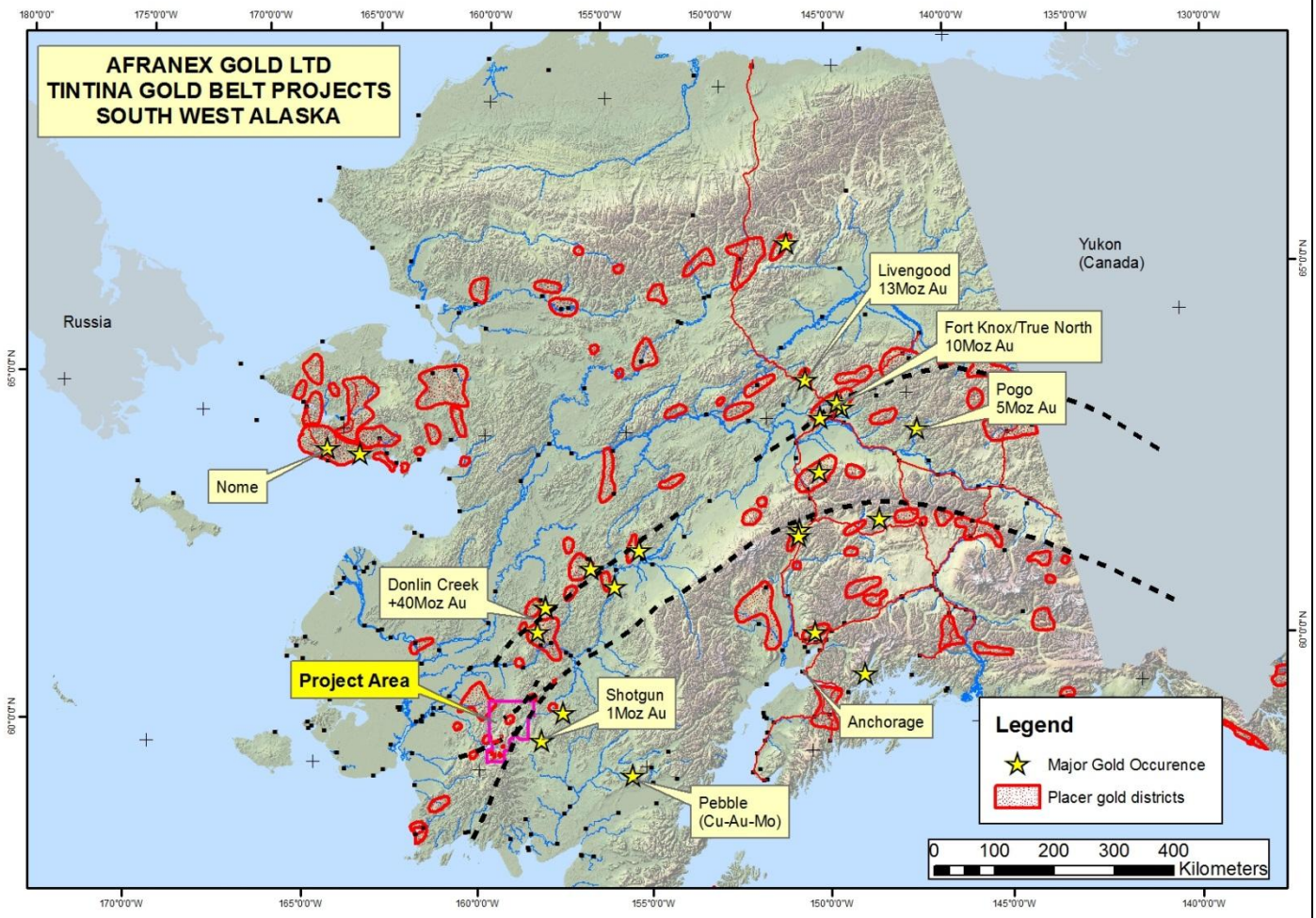

Figure 1: Tintina gold belt showing project area in SW Alaska, 200km from Donlin Creek deposit

LUNA-QUICKSILVER PROJECT EXPLORATION UPDATE

In order to maximize effective exploration at the Luna-Quicksilver project, the Company commenced field work prior to the signing of the option agreement with Afranex. During early August SJ Geophysics on behalf of Southern Crown, completed a 102 line km survey on 38 lines spaced 100m apart, with a 12.5m sampling frequency. Results were released to the market during September 2014. The geophysics confirmed the geologically mapped 700m wide NE striking structural corridor adjacent to the Luna-Luna East prospects.

A total of 39 auger geochemical holes for 829ft (253m) were drilled across the main NE structural trend between Luna and Luna East on four lines nominally spaced 400 metres apart with holes on each line nominally spaced 100m apart (Figure 3). The majority of holes intersected the top of bedrock, however some intersected fault clays, with the average depth to bedrock of 5 metres. Access restricted drilling to the SE side of the North Fork river and areas where the small track mounted rig could access without clearing.

A total of 61 samples were submitted to the ALS Laboratories in Fairbank, Alaska, an internationally recognized laboratory. The auger geochemistry is expected to assist mapping of the anomalous geochemistry below the glacial till overburden.

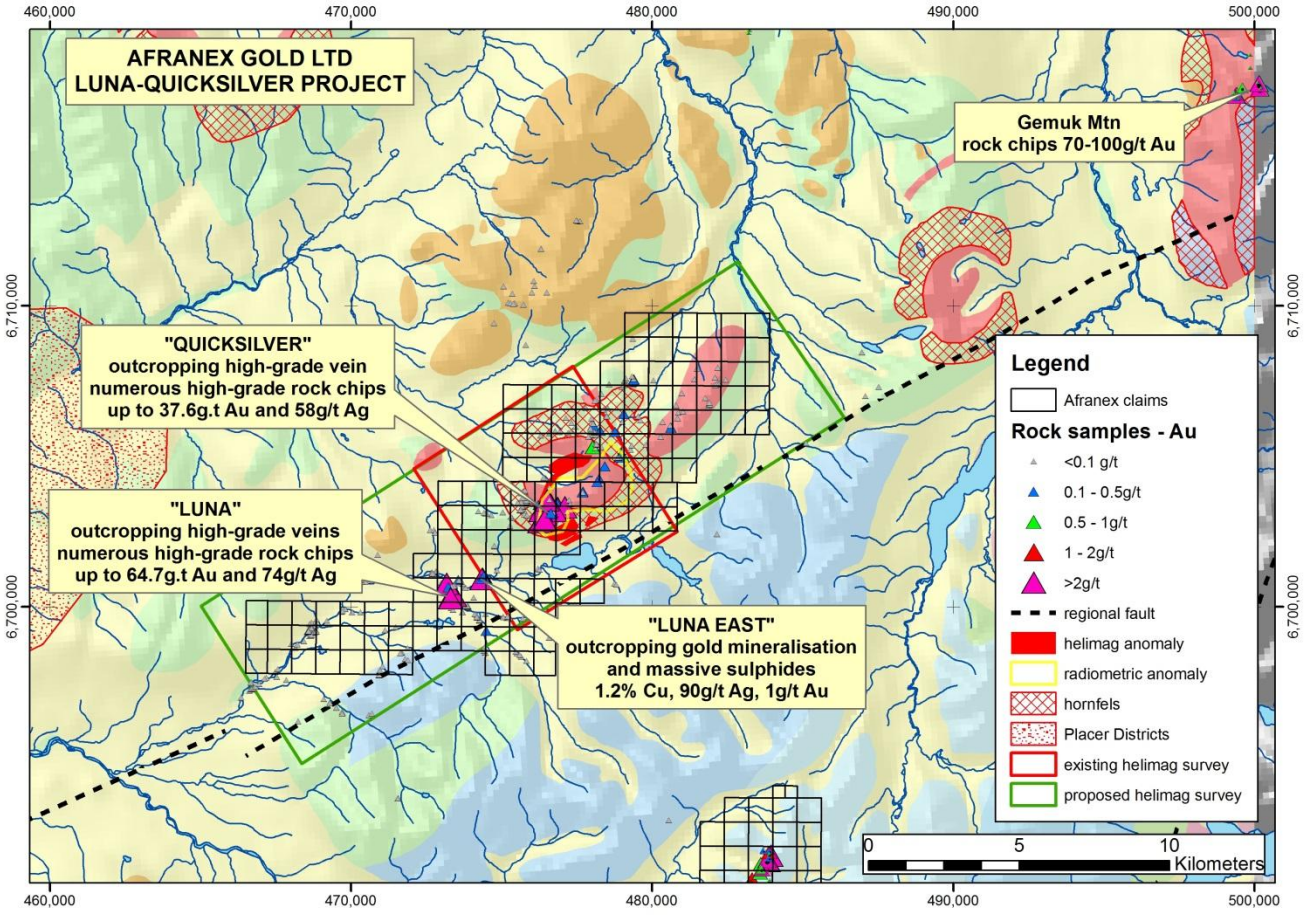

Figure 2: Luna-Quicksilver showing outcropping veins in structural corridor

The Company also completed channel sampling along the river banks below the overburden. The channel sampling involves digging away up to 0.5m of overburden to expose underlying weathered bedrock. Work done during the due-diligence has indicated that this is an effective way of channel sampling and geological mapping of the bedrock, similar to what would be achieved by trenching several metres through the overburden.

In excess of 1600ft (487m) of bedrock channels have been exposed from strategic locations along the stream cut banks around Luna-Luna East, with 146 samples collected from 1,460ft (445m). Samples were collected at nominal 10ft (3m) intervals. Results are expected to complement the auger geochemistry and provide a top of bedrock geochemical anomaly map.

In order to test a larger area along strike to the Luna and Luna East prospects as well as gain lateral coverage, the company engaged a biogeochemical expert to oversee the collection and analysis of vegetation samples. Over 3km of the Luna-Luna East strike was covered with a total of 335 biogeochemical samples collected on lines spaced 400 metres with samples on each line spaced 100 metres. Samples were collected from common species of plants to ensure a reflective geochemical sample.

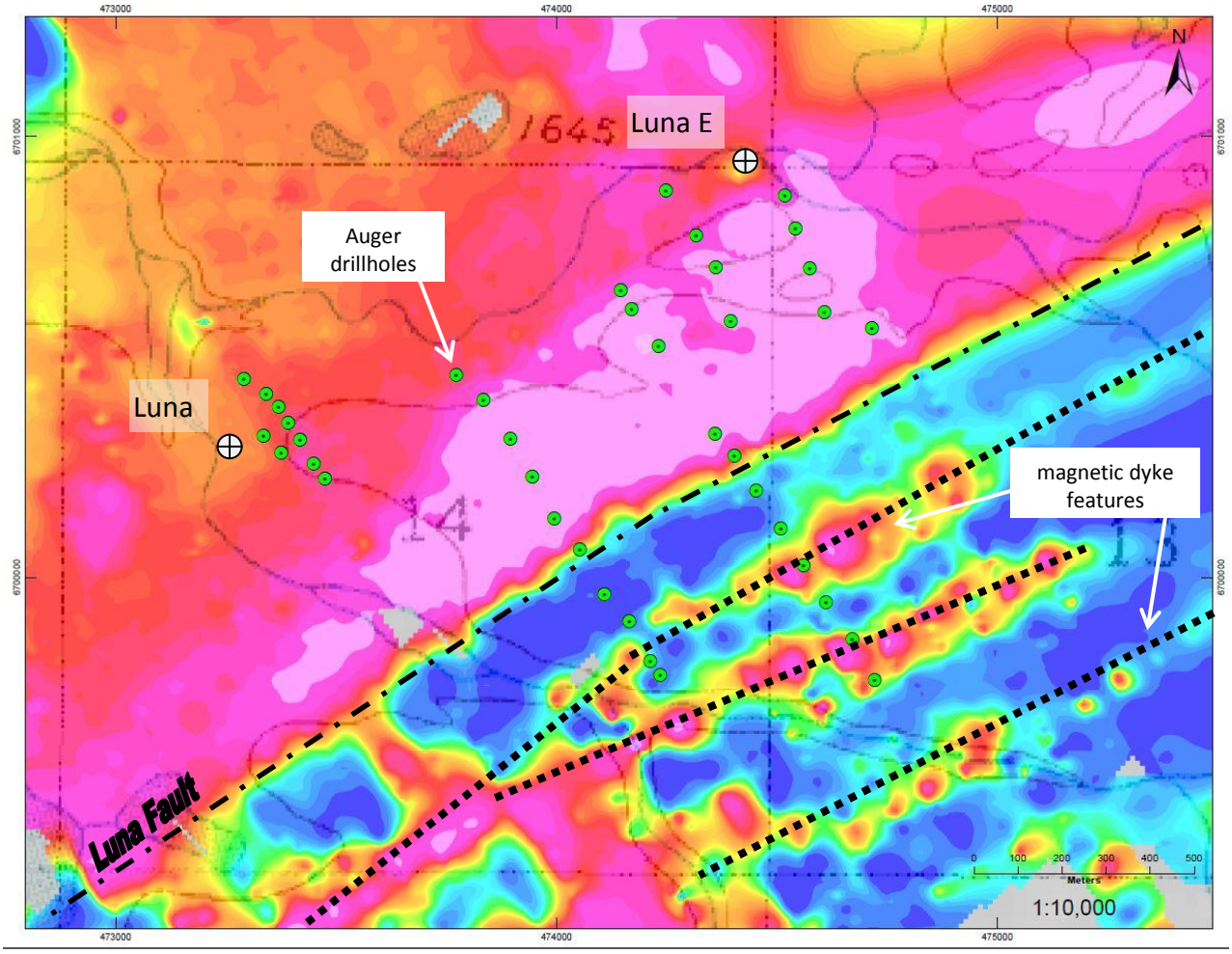

Figure 3: Luna-Luna East showing auger drilling over magnetics and topography (UTM NAD83 Zone 4)

CAPITAL RAISING

The Company successfully completed an oversubscribed placement to raise $650,000 to provide funding for the exploration and ongoing commitments associated with the Alaskan projects. A total of 7.5M shares were issued on 8 September 2014, a further 5.5M shares are to be issued following shareholder approval at a meeting held on 17 October 2014.

Images are from Aug–Sept 2014, showing auger drill rig, field camp and view looking NW across Luna-Luna East to Quicksilver

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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 1

JORC TABLE 1
Section 1 Sampling Techniques and Data

Criteria	Explanation	Notes
Sampling techniques	• Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	• Channel sampling benches were dug into the river bank to access in-situ material, usually oxidized. This was channel sampled using geo-pick to ensure representative samples for each 10ft interval • After the completion of each auger drill hole a spear was hammered into the material below the base of the auger to collect an in-situ un-contaminated sample. • Both auger and channel samples were in the order of 2-3kg in weight. • Standard weight biogeochemical samples were collected using secateurs from the recent growth of two specie groups and documented to homogenize sample medium. • Biogeochemistry samples were in the order of 0.25-0.5kg weight.
Drilling techniques	• Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	• After the completion of each auger drill hole a spear was hammered into the material below the base of the auger to collect an in-situ un-contaminated sample.
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	• After the completion of each auger drill hole a spear was hammered into the material below the base of the auger to collect an in-situ un-contaminated sample.
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged.	• All spear samples were logged and a representative chip or clay sample was stored in a chip tray.
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is	• Auger spear samples were collected below the bottom of the auger drill bit to collect one sample at the bottom of the hole. This technique is appropriate for geochemical reconnaissance sampling

Criteria	Explanation	Notes
	representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	• Samples have been submitted to ALS laboratories in Fairbanks, Alaska. • Standards and blanks were submitted with samples.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	• Sampling was conducted by an independent consultant who is a Competent Person and team. Sampling technique and procedure was reviewed by the author of this report.
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control.	• Sampling and drill collars were recorded using a handheld recreational GPS in UTM NAD83 Zone 4N – 4m accuracy
Data spacing and distribution	• Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied.	• Auger drilling and Biogeochemistry was on a nominal 400m x 100m spacing. • Channel sampling was on 10ft (3m) spacing in areas of weathered in-situ bedrock.
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• Drilling and sampling was perpendicular to the strike of the main structure and the apparent strike of the Luna – Luna E mineralization. • Auger drilling was vertical.
Sample security	• The measures taken to ensure sample security.	• Samples were collected, bagged and boxed by company consultants and company employees and shipped using reputable freight company, ensuring Chain of Custody standard guidelines.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• No audit was conducted, which is appropriate for this stage of exploration.

JORC TABLE 1
Section 2 Reporting of Exploration Results

Criteria	Explanation
Mineral tenement and land tenure status	• Southern Crown has employed a permit consultant to ensure the tenure documentation is up to date. The claims can be viewed on the Alaska department of Natural Resources website. ACA Howe completed an independent review during April 2013, no independent review has been completed since.
Exploration done by other parties	• Afranex engaged ACA Howe to write a 43-101 standard report on the projects. It details all exploration by other companies. A database and reports has also been provided by previous explorers.
Geology	• The mineralisation is located in a major NE regional shear zone associated with the bounding faults of the Tintina gold belt. Intrusions into the regional belt have hornfels and altered surrounding sedimentary country rock. Mineralisation has been emplaced in and around the intrusions suggesting the Luna-Quicksilver prospects have the potential to be IRG systems.
Drill hole Information	• Auger drillholes were all drilled vertically through to the bedrock. Drillhole locations are displayed on Figure 3.
Data aggregation methods	• No data aggregation methods have been used.
Relationship between mineralisation widths and intercept lengths	• The only drilling conducted at Luna – Luna East are the drillholes that are presented in this report.
Diagrams	• Diagrams provided show location of projects and location of auger drill holes.
Balanced reporting	• Exploration is at an early stage and surface geochemistry and geophysics has been collected over all prospects over a 7 year period. Details have been provided in separate releases on 20 Aug, 4 Sept and 15 Sept 2014.
Other substantive exploration data	• Data provided on 20 Aug, 4 Sept, 15 sept details early stage exploration including geophysics, geological mapping and surface geochemistry.
Further work	• The Company will assess the results from this program to better locate follow-up targets.