



Southern Cross Exploration N.L.

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Company Announcements Office
Australian Securities Exchange Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

Dear Sir,

Southern Cross to realise funds from Fiji property sales

Southern Cross Exploration NL ('SXX') announces that it has exercised its right to recover almost AUD\$7,500,000 of secured funds owed by Nadi Bay Beach Corporation ('NBBC').

SXX and its wholly owned subsidiary Northern Star Investments Pty Ltd hold a first ranking mortgage over 42 acres of freehold beachfront land in Nadi Fiji as security for the outstanding debt. The mortgage security has been approved by the Reserve Bank of Fiji as is required by Fiji Law in order to facilitate the repatriation of monies to Australia.

The freehold waterfront property is located at Wailoaloa Beach in Nadi, Fiji. Demand for property at Wailoaloa beach is strong due to its proximity to the centre of Nadi, the Denarau resort district and the Nadi International airport which is the hub of international tourism in Fiji. A recently developed 5 star hotel and apartment complex, located approximately 500 metres along Wailoaloa beach, is due to open in 2014. **Only 8% of land in Fiji is freehold.**

Pursuant to the SXX rights under the mortgage and the Property Law Act of Fiji, SXX has appointed Griffon Emose from Kontiki Capital Ltd to manage the process of recovering these funds. Kontiki Capital will actively pursue all available options to realise and maximise the value of the land in order to recover the face value of our debt after accounting for all expenses.

As SXX is the first ranking secured creditor we are well placed to ensure that the value of our security is enhanced and an orderly realisation process is pursued.

The property Law Act of Fiji limits the amount of costs to no more than 5% of the recovered funds. Kontiki Capital will be acting as agent of NBBC in all dealings related to the security.

SXX are optimistic about realising the value from this asset and deploying these funds to generate favourable returns for shareholders.

A handwritten signature in black ink, appearing to be 'Craig Coleman', with a large loop at the top and a stylized 'C'.

Craig Coleman
DIRECTOR