

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 1/6/10, 17/12/10

SOUTHERN CROSS EXPLORATION N.L.

ABN : 70 000 716 012

QUARTER ENDED ("Current Quarter") : 31st December 2014

Consolidated Statement of Cash Flows		Current Quarter \$A'000	Year to Date 6 months \$A'000
Cash Flows Related to Operating Activities			
1.1	Receipts from product sales and related debtors	220	220
1.2	Payments for :-		
	(a) exploration and evaluation	(7)	(7)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(355)	(427)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	-	-
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	(142)	(214)
Cash flows related to Investing Activities			
1.8	Payment for purchases of :-		
	(a) prospects	-	-
	(b) equity investments	(300)	(600)
	(c) other fixed assets	(550)	(550)
1.9	Proceeds from the sale of :-		
	(a) prospects	-	-
	(b) equity investments	-	69
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	(7)
	Net Investing Cash Flows	(850)	(1,088)
1.13	Total Operating and Investing Cash Flows (carried forward)	(992)	(1,302)

⁺ See chapter 19 for defined terms.

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1.13 Total Operating and Investing Cash Flows (brought forward)	(992)	(1,302)
Cash flows related to financing activities		
1.14 Proceeds from issues of shares, options, etc.	384	539
1.15 Proceeds from sale of forfeited shares	-	-
1.16 Proceed from borrowings	550	654
1.17 Repayment of borrowings	-	(45)
1.18 Dividends Paid	-	-
1.19 Other (provide details if material)	-	-
Net Financing Cash Flows	934	1,148
Net increase (decrease) in cash held	(58)	(154)
1.20 Cash at beginning of quarter / year to date	205	301
1.21 Exchange rate adjustment to item 1.20	-	-
1.22 Cash at end of quarter	147	147

Payments to directors of the entity and associates of the directors

Payments to 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	(212)
1.24 Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Note on Item 1.23 above.

In previous periods, Directors had advanced to the company (on an interest free, no fee basis), funds for working capital. Included in the amount of (212) recorded at item 1.23, are repayments of these loans.

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

Southern Cross Exploration N.L. has appointed a receiver to act for it in the recovery of monies owed to it by Nadi Bay Beach Corporation.
The property has been marketed for sale by tender, there will be more to report in the first quarter of 2015.

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	N/A	N/A
3.2 Credit standby arrangements	N/A	N/A

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	-
4.2 Development	-
4.3 Production	-
4.2 Administration	75
Total	75

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	147	301
5.2 Deposits at call	-	-
5.3 Bank Overdraft	-	-
5.4 Other (provide details)	-	-
Total cash at end of quarter (item 1.22)	147	301

Changes in interest in mining tenements

	Tenement Reference	Nature of Interest (Note 2)	Interest at Beginning of Quarter	Interest at End of Quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	None during the Quarter		
6.2	Interests in mining tenements acquired or increased	None during the Quarter		

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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	1,076,843,200		Various	Various
7.4 Changes during quarter				
(a) Increases through issues	538,421,600	538,421,600	0.1 cents	0.1 cents
(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)			Exercise price	Expiry Date
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 give a true and fair view of the matters disclosed

John Smith
Company Secretary
30th January 2015

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 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, 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.**

⁺ See chapter 19 for defined terms.
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