



19 MAY 2011

SOUTHERN CROSS GOLDFIELDS LTD

Southern Cross Goldfields Ltd

ABN 71 124 374 321

*~3,000km² tenement holding in
prolific Southern Cross gold belt in
Western Australia*

*Production strategy based on
establishment of 400,000tpa
processing facility at Marda*

*Initial production target of
30,000ozpa over 5 years*

*Feasibility study due September
2011 Quarter*

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Board of Directors

Samantha Tough
Non-Executive Chairman

Glenn Jardine
Managing Director

Graham Brock
Non-Executive Director

John Rowe
Non-Executive Director

Capital Structure

Shares on Issue: 200.4M

Options on Issue: 36.6M

Corporate Shareholders

Mineral Resources: 9.5%

Western Areas: 5.25%

Heron Resources: 3.1%

FIRST RESULTS IN FOR GOLDEN ORB GOLD DEPOSIT

Key Points:

- 23m @ 4.5 g/t Au including 10m @ 6.4 g/t Au intersected in hole GORC012 from 37m down hole
- 11m @ 4.1 g/t Au including 4m @ 8.4 g/t Au intersected in hole GORC014 from 31m down hole
- Results of the first 3 holes received from the 63 hole, 4,000m drilling programme completed in April
- Aimed at bringing Golden Orb from JORC Inferred into JORC Measured and Indicated classifications

First results from the infill and extensional RC drilling programme (63 holes, 4,000 metres) at Golden Orb undertaken in April have been received, collated and interpreted (*refer Table 1*). The program is designed to:

- Increase the confidence of the current Inferred Resource Estimate to JORC classified Measured and Indicated categories;
- Update the resource for use in the Company's feasibility study;
- Identify near surface and deeper high grade resource extension potential;

The Golden Orb gold deposit is located on a granted mining lease just 15km south of SXG's proposed 400,000 tpa modular gold processing facility at Marda (*refer Figure 1*) and forms part of SXG's portfolio of gold deposits in the Southern Cross and Marda regions of Western Australia. Until now, due to its JORC Inferred resource classification Golden Orb has not been able to be included in the Company's production base case.

Results of the first three holes to be received from the programme include:

GORC012	23m @ 4.5 g/t Au from 37m down hole including 10m @ 6.4 g/t Au
GORC014	11m @ 4.1 g/t Au from 31m down hole including 4m @ 8.4 g/t Au



Hole GORC012 has intersected high grade near surface mineralisation on cross section 9760E (*refer Figure 2*) between two previous drill holes.

GOC070 **16m @ 4.8 g/t Au** from 33m down hole including **9m @ 7.0 g/t Au**, and
GOC008 **7m @ 9.7 g/t Au** from 65m down hole including **4m @ 15.6 g/t Au**.

Hole GORC014 lies on section 9780E, 20m to the north. Assays are awaited for a further 3 holes on that section as part of the remaining drilling completed in April.

Mineralisation at the main Golden Orb deposit has a strike extent of approximately 600 metres (*refer Figure 3*). Golden Orb West lies 500 metres to the west of the main Golden Orb deposit and is effectively a continuation of the same mineralised system. The deposit has significant potential for near surface and deeper high grade resource extensions (*refer ASX release 7th April, 2011*).

SXG's Managing Director, Glenn Jardine, stated: "These initial results at Golden Orb are very encouraging and demonstrate the untapped potential of SXG's portfolio of gold assets in the region."

- ENDS -

For further details, please contact

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Refer to www.scross.com.au



Figure 1 - Location Plan

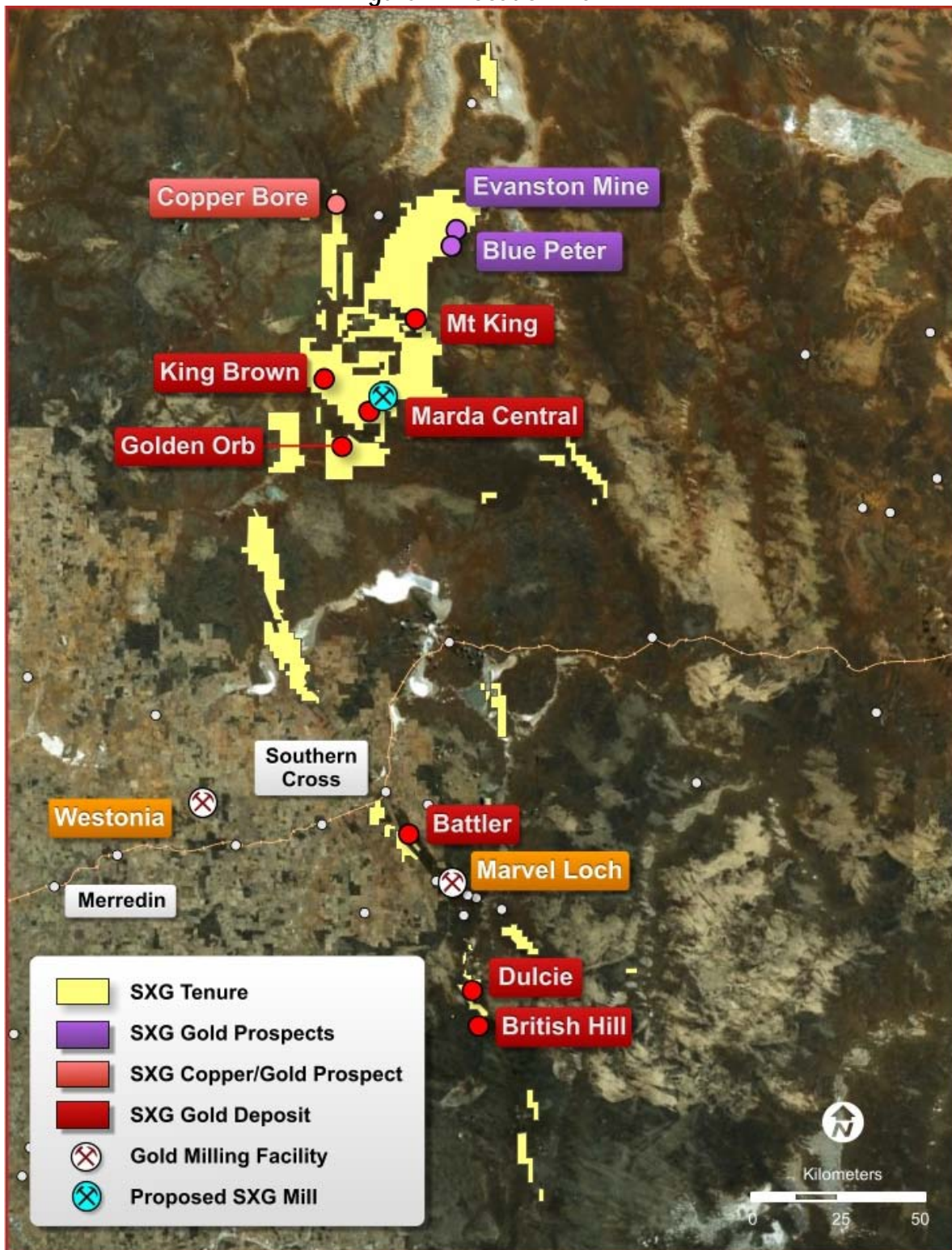




Figure 2 - Golden Orb Cross Section

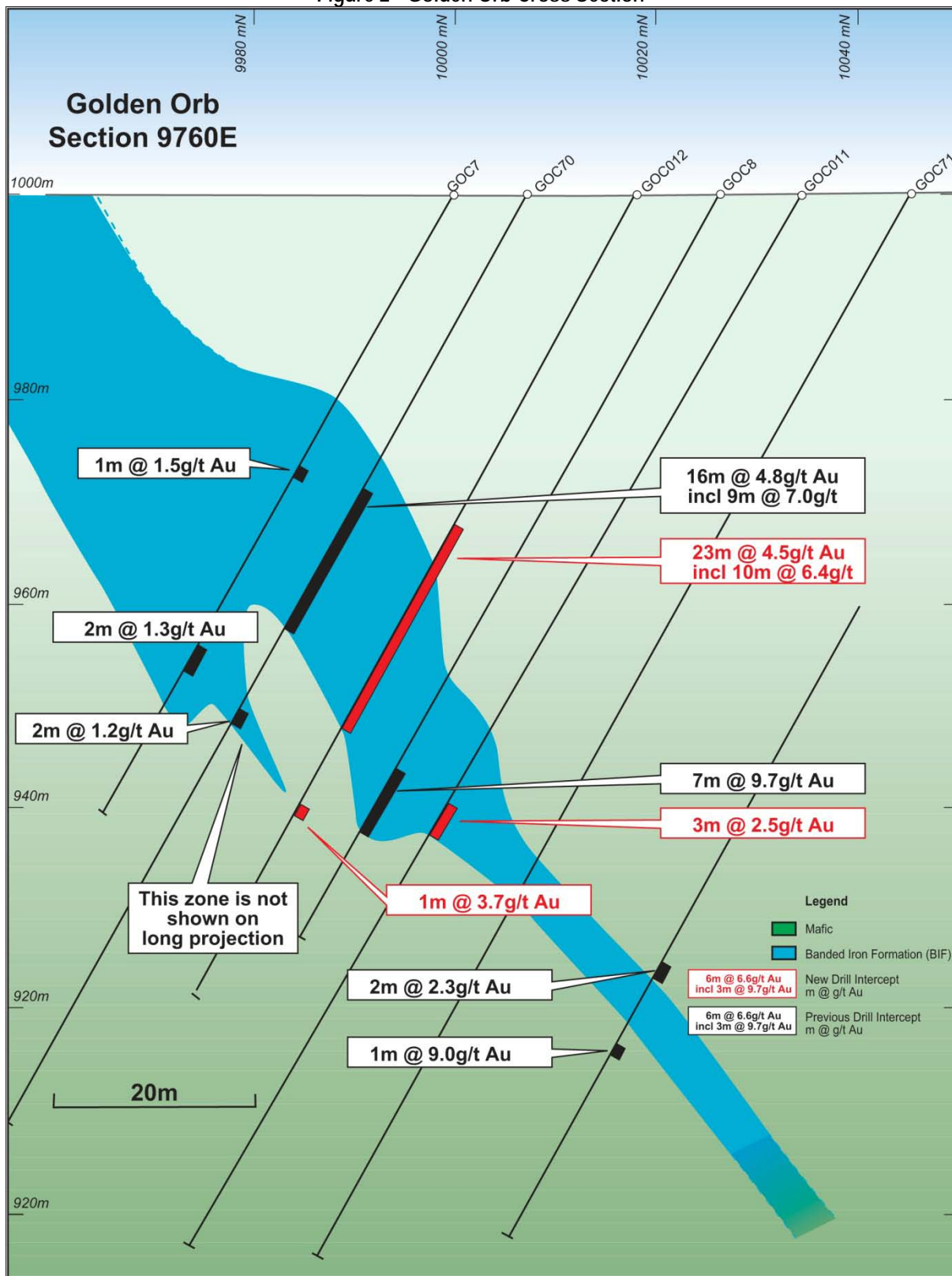
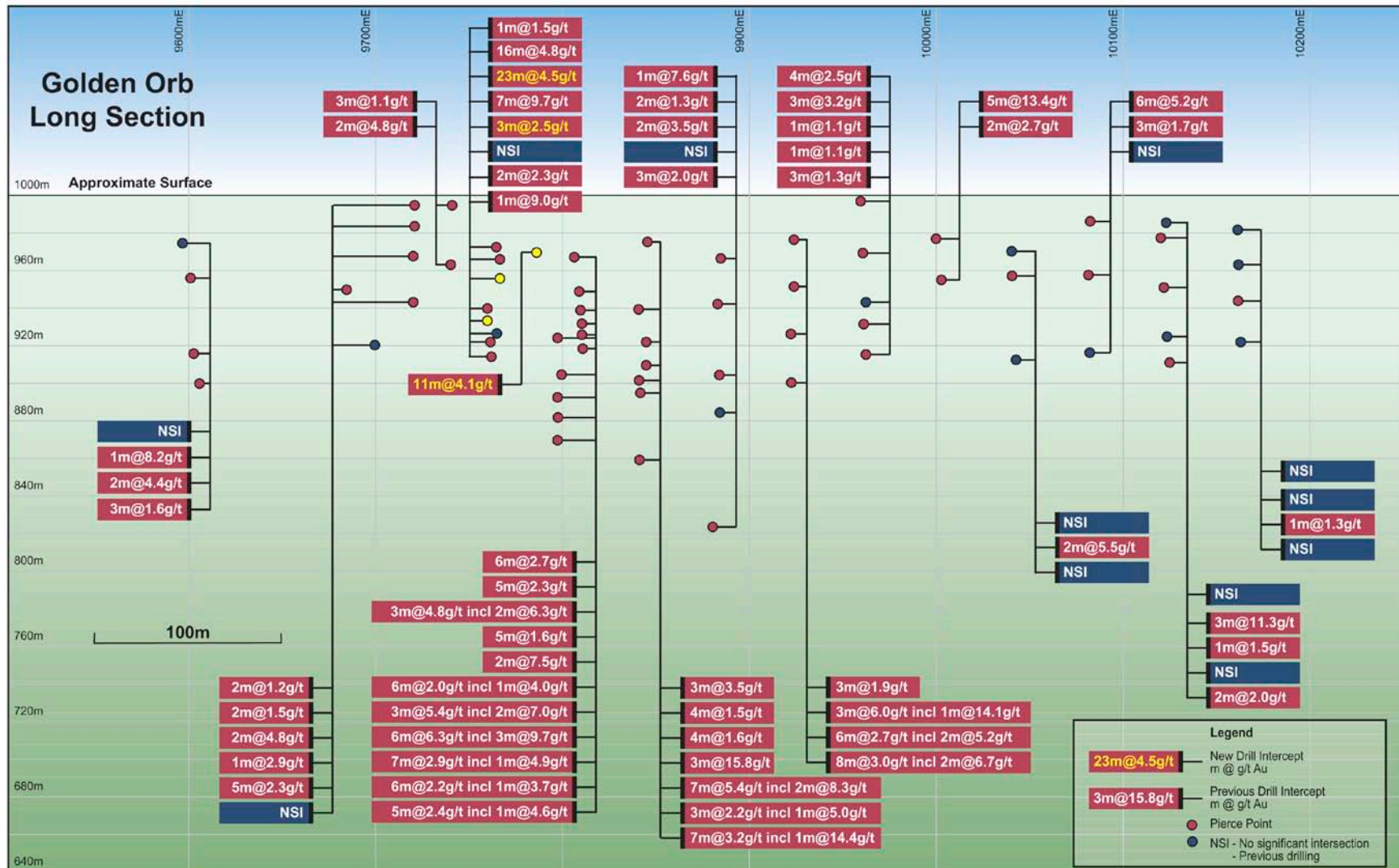


Figure 3 - Golden Orb Long Projection



**Table 1 - Golden Orb Intersection Results**

Hole ID	Depth	MGA East	MGA North	Dip	Azimuth	M From	M To	Interval M	Grade g/t Au
GORC011	120	709687	6647710	-60	215	70	73	3	2.5
GORC012	90	709677	6647697	-60	215	37	60	23	4.5
including						47	57	10	6.4
and						69	70	1	3.7
GORC014	70	709678	6647672	-60	215	31	42	11	4.1
including						31	35	4	8.4
including						33	34	1	30.0

Notes to accompany Intersection Results Table:

- Collar co-ordinates in MGA94, Zone 50; local north rotated 35° anti-clockwise from true north.
- Collar survey accuracy is within 1m.
- All drilling is by 5.25 inch face sampling RC hammer and samples are riffle split on site to a nominal 2kg.
- All 1m samples are assayed by 40g fire assay at Ultratrace laboratories, Perth.



JORC MINERAL RESOURCE ESTIMATE

Deposit	Measured			Indicated			Inferred			Total		
	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces
Python	502,000	2.0	32,500	241,000	1.8	14,000	117,000	1.7	6,000	859,000	1.9	52,000
Dolly Pot	488,000	1.9	29,000	178,000	1.6	9,000	85,000	1.5	4,000	751,000	1.8	43,000
Dugite	196,000	2.1	13,000	82,000	1.7	5,000	20,000	1.6	1,000	298,000	2.0	19,000
Goldstream	200,000	1.9	12,500	26,000	1.6	1,000	7,000	1.6	1,000	233,000	1.9	14,000
King Brown				176,000	3.0	17,000	25,000	2.2	2,000	201,000	2.9	19,000
Battler				432,000	2.4	33,400	72,000	1.8	4,100	504,000	2.3	37,500
British Hill				1,166,000	1.9	71,000	557,000	1.9	35,000	1,724,000	1.9	106,000
Sub Total	1,386,000	2.0	87,000	2,301,000	2.0	150,400	883,000	1.9	53,100	4,570,000	2.0	290,500
Golden Orb							1,023,000	2.2	71,000	1,023,000	2.2	71,000
Mt King							523,000	3.0	50,000	523,000	3.0	50,000
Sub Total	-	-	-	-	-	-	1,546,000	2.4	121,000	1,546,000	2.4	121,000
Total	1,386,000	2.0	87,000	2,301,000	2.0	150,400	2,429,000	2.2	174,100	6,116,000	2.1	411,500
Laterite												
Dulcie				1,020,000	0.7	22,300	100,000	0.7	2,300	1,120,000	0.7	24,600
Total Laterite	-	-	-	1,020,000	0.7	22,300	100,000	0.7	2,300	1,120,000	0.7	24,600
Total	1,386,000	2.0	87,000	3,321,000	1.6	172,700	2,529,000	2.2	176,400	7,236,000	1.9	436,100

Notes to Accompany Mineral Resource Estimate table:

- Numbers may not add due to rounding
- Resource models except for Battler, were constructed within the GS3 software, a proprietary resource modelling software developed by Hellman and Schofield.
- The resource model for Battler was constructed within the Minesight software.
- The Dulcie resource was estimated using Ordinary Kriging within a wireframe of laterite using 20m by 20m by 1m blocks. The resources for all other deposits are estimates of recoverable tonnes and grades using Multiple Indicator Kriging with block support correction into model blocks customised to the average drill hole spacing for each deposit and assuming smallest mining unit for ore selection in mine grade control of 3 metres (across the general strike of mineralisation) by 5 metres (along strike) by 2.5 metres (elevation).
- Gold estimation and model blocks were constrained within either geologically derived or grade based wireframes.
- Resource assaying data sets derived from all available reverse circulation and diamond drill sampling. No RAB drilling or trenching assays have been used in the estimates.
- Geology has been used to constrain mineralisation as appropriate.
- Weathering domains have been used to constrain mineralisation where appropriate.
- Data density varies and is reflected in the resource category which has been applied. All measured resources have a drill-hole density of approximately 12.5m x 12.5m. All indicated resources except Dulcie and Battler have a drill-hole density of approximately 25m x 25m. Dulcie has a drill density of 40m x 40m. Battler has a drill density of 20m x 12.5m. Inferred resources have variable density but always less than 50m x 50m except for Mt King which has variable drill-hole spacing between 25m and 100m.
- Assays are generally fire assay, with limited aqua regia assays in the weathered zone.
- All drill-hole collars are surveyed by GPS. Down hole surveys are limited, except at British Hill, where most drill-holes are surveyed.
- A lower cut-off of 1.0 g/t Au has been used except at Dulcie where a lower cut-off of 0.4g/t Au has been used.

JORC Code Compliance Statement

The geological information in the report to which this statement is attached that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Richard Simmons who is a Member of The Australasian Institute of Mining and Metallurgy. Richard Simmons is a full time employee of Southern Cross Goldfields Limited. Richard Simmons has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Richard Simmons consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The resource estimation of the Battler deposit is based on work completed by independent consultant Mr Dean Fredericksen of Fredericksen Geological Solutions based on resource drilling data sets provided by SXG. Mr Fredericksen is a Member of The Australasian Institute of Mining and Metallurgy and qualifies as a Competent Person in respect of the 2004 JORC code by virtue of having sufficient experience which is relevant to the style of mineralisation and deposit types being estimated. Mr Fredericksen has consented to the inclusion of this information in the form and context in which it appears in this report.



The resource estimation of the Dulcie deposit is based on work completed by Mr Jonathon Abbott utilising resource drilling data sets provided by SXG. Mr Abbott is a full time employee of Hellman and Schofield Pty Ltd and a member of the Australasian Institute of Mining and Metallurgy. Mr Abbott has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Abbott consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The resource estimation of the King Brown, Golden Orb, British Hill, Python, Dolly Pot, Dugite, Goldstream and Mount King deposits is based on work completed by Mr Nic Johnson utilising resource drilling data sets provided by SXG. Mr Johnson is a full time employee of Hellman and Schofield Pty Ltd and a member of the Australian Institute of Geoscientists. Mr Johnson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Johnson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Disclaimer

This document has been prepared by Southern Cross Goldfields Limited (SXG). The information and opinions contained in this document are derived from public and private sources which we believe to be reliable and accurate but which, without further investigation, cannot be warranted as to their accuracy, completeness or correctness. This information is supplied on the condition that SXG, and any director, agent or employee of SXG, are not liable for any error or inaccuracy contained herein, whether negligently caused or otherwise, or for loss or damage suffered by any person due to such error, omission or inaccuracy as a result of such supply.

Forward-Looking Statements

This document contains forward looking statements concerning the projects owned by SXG. Statements concerning mining reserves and resources may also be deemed to be forward looking statements in that they involve estimates based on specific assumptions. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties and other factors. Forward looking statements are based on SXG's beliefs, opinions and estimates as of the dates the forward looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.