

25 March 2008

ASX RELEASE

ASX: SXG

SXG IDENTIFIES ADDITIONAL NICKEL SULPHIDE TARGET

- **Potential nickel sulphide host rocks have been identified during reconnaissance geological mapping within the Bullfinch North Nickel Project .**
- **This provides further confirmation of the nickel potential of the SXG tenements in the Central Yilgarn Nickel Province (CYNP).**

Reconnaissance geological mapping within the Bullfinch North Nickel Project tenements has identified additional outcrops of potential nickel sulphide host rocks, approximately 25km south of the known Trough Well nickel sulphide deposit and 5km north of the Lady Agnes nickel prospect. Specifically, the mapping highlights olivine cumulates with overlying spinifex textured komatiitic ultramafics. Previous exploration during the 1970's has shown the soils in this area to have elevated nickel and copper values.

A favourable nickel sulphide host has now been confirmed intermittently over a strike length of at least 30km. Trough Well, a known nickel sulphide deposit held by Southern Cross Goldfields, occurs at the northern end of the corridor, underlining the potential for further discoveries of this type. Exploration along this highly prospective trend will be progressed through mapping, soil sampling and geophysics in order to better define drill targets.

The Central Yilgarn Nickel Province is an evolving highly prospective nickel sulphide province extending from Sandstone in the north, through the SXG projects and Forrestania, to Ravensthorpe in the south. Western Areas NL (WSA), a major SXG shareholder who is developing projects and joint ventures in the province, recently announced a number of promising results from exploration activities within the CYNP. SXG is one of the largest landholders in the province.

For further details, please contact

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COMPETENT PERSON STATEMENT: The information within this release as it relates to the prospectivity of SXG's tenements is based on information compiled by Mr Antony Truelove. Mr Truelove is a member of AusIMM and is a full time employee of the Company. Mr Truelove 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 Truelove consents to the inclusion here of the matters based on the information in the form and context in which it appears.

Att: Figure 1 – Southern Cross Goldfields Ltd Tenements and Nickel Targets

