



ASX RELEASE

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SIGNIFICANT GOLD MINERALISATION IDENTIFIED AT THE ANDROMEDA PROSPECT, MARDA GOLD PROJECT

First results from the Marda Gold Project drilling programme have been received and confirm significant open ended gold mineralisation at the **Andromeda** prospect. This significantly improves the potential for additional gold mineralisation throughout the **10km strike of the largely untested host shear zone.**

Significant assay results include (4m composites samples):

- **8m @ 4.1g/t Au** from 84m including **4m @ 7.2g/t Au** from 88m and 4m @ 2.3g/t Au from 96m (ADRC002)
- **24m @ 1.4g/t Au** from 56m including **4m @ 3.6g/t Au** from 64m (ADRC001)

Results have been received from 3 drill-holes at the Andromeda prospect and 1½ drill-holes at the Jackson prospect.

The sampling to date has been as 4m composite samples, except in isolated areas where the site geologist noted strong alteration or sulphides. One metre riffle split samples will be assayed for all 4m composite intervals which return significant gold assays, as well as all internal "waste" intervals.

The following table shows all significant results received to date (all samples dry unless otherwise noted):

Prospect	Hole Number	From (m)	To (m)	Interval (m)	g/t Au	Comments	
Andromeda	ADRC001	48	52	4	0.90	4m composite	
		56	80	24	1.41	4m composite	
		including	64	68	4	3.61	4m composite
			121	124	3	1.35	1m riffle-split
	ADRC002	52	56	4	0.35	4m composite	
		84	92	8	4.10	4m composite	
		including	88	92	4	7.19	4m composite
			92	96	4	0.25	4m composite
			96	100	4	2.31	4m composite
			100	104	4	0.41	4m composite
		116	120	4	0.42	4m composite	
		164	169	5	0.69	5m comp, wet, end of hole	
	ADRC003	44	50	6	0.23	composite	
Jackson	JARC001	75	76	1	1.27	1m riffle -split	
	JARC002	44	52	8	0.34	4m composite	
		74	75	1	2.55	1m riffle-split	
						assays awaited for end of hole	

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Results from the Andromeda prospect are highly encouraging, with assay results from two of the three holes received to date indicating significant gold mineralisation within multiple parallel zones. Results from two additional drill-holes into this prospect are awaited. **The mineralisation identified to date is open at depth and along strike to both the north and south.**

The locations of the recent drill-holes at Andromeda are shown on Figure 1. This figure shows the RAB drilling target and associated soil geochemical anomaly. It can be seen that the anomaly is restricted to the sand/laterite zone which is essentially a zone of lateritic gravel with a thin sand veneer and is interpreted as a remnant zone of laterite. The underlying gold mineralisation has been dispersed in this remnant laterite (typical for Yilgarn Craton lateritic gold deposits) and thus the soil samples within this zone are an effective sample medium. **The highest soil assay is 1,380 parts per billion gold (equivalent to 1.38g/t Au)**, which confirms a potentially significant mineralisation system.

The hardpan unit adjacent to the sand/laterite unit is, by contrast, very low in gold. This unit is interpreted as being equivalent to the "Wiluna Hardpan", a widespread unit in the northern part of the Yilgarn Craton which is generally very low in contained gold and tends to mask any underlying gold mineralisation. Thus the previous soil sampling and RAB drilling, which has been followed up by the current RC drilling, has focussed on this area simply because of the presence of a small window of laterite, and is now interpreted to be open along strike to both the north and south. A sub-parallel soil anomaly approximately 150m to the west also requires RAB drill testing.

The low order mineralisation encountered in the earlier RAB drilling has been shown to improve in tenor at depth and to consist of **multiple (at least four) zones of sub-parallel gold mineralisation** associated with a broad shear zone (Figure 2). The results received to date are from the northernmost line tested and show that mineralisation is open to the north. There is no other drilling to the north, but an untested soil anomaly is located approximately 3km along strike to the north. Soil and RAB anomalies also occur along strike to the south suggesting that the shear zone is **intermittently mineralised over at least 10km strike** and that RAB drilling will be required to test beneath the barren hardpan cap-rock.

These drill results greatly enhance the prospectivity of the Clampton-Sandplain area in general.

- ENDS -

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JORC COMPLIANCE STATEMENT

The 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 Antony Truelove who is a Member of The Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Antony Truelove is a full time employee of Southern Cross Goldfields Limited. Antony Truelove 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'. Antony Truelove consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Att: Figures 1 & 2

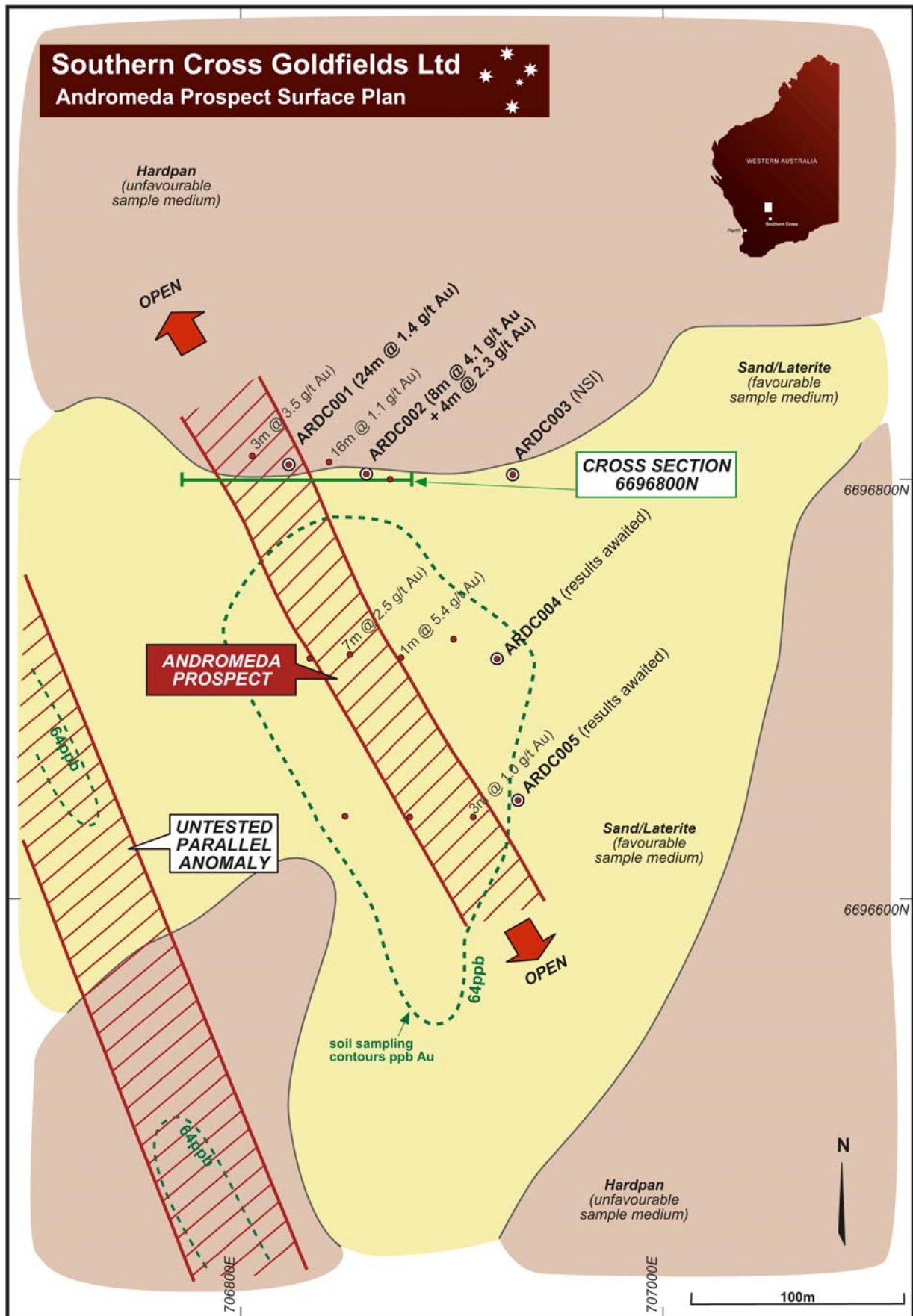


Figure 1 – Andromeda Prospect Summary Plan

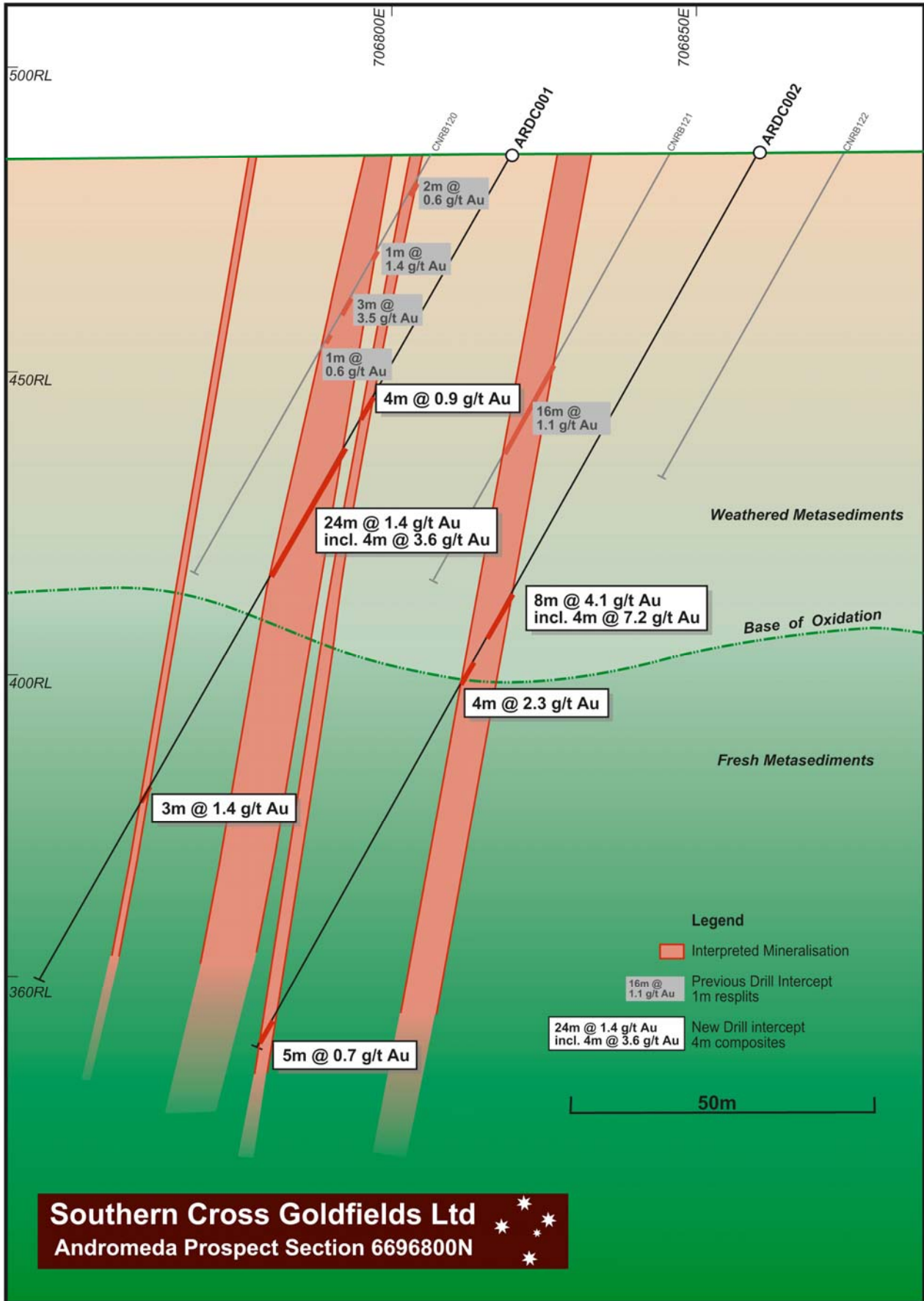


Figure 2 – Andromeda Prospect, Cross Section 6696800N