



SOUTHERN CROSS GOLDFIELDS LTD



ASX RELEASE

18/07/2008

ANDROMEDA PROSPECT UPDATE

Results of 1m re-splits from the previously announced drilling on the northernmost drill traverse at **Andromeda** have significantly upgraded the preliminary results. A detailed field pickup of all drill collars has highlighted some discrepancies in the original collar co-ordinates and this has resulted in a re-interpretation of this prospect.

This re-interpretation suggests that the mineralisation is dipping moderately to the east, as originally thought, rather than dipping steeply to the west (Figures 1 & 2). As a consequence, the main mineralisation now appears to be about 15 to 20m true thickness, with the down-hole intercepts being almost true width. This is a significant change from the original interpretation and fits better with the known regional trends. Potential for a large mineralisation system has thus been enhanced. The improvement in average grades is also significant, with the core of the zone grading 3-4g/t Au:

Prospect	Hole Number	From (m)	To (m)	Interval (m)	g/t Au	Comments
Andromeda	ADRC001	49	52	3	1.8	
		57	78	21	1.5	
	including	64	76	12	1.9	
	including	72	76	4	3.0	
	ADRC002	56	58	2	2.9	
		88	104	16	3.1	
	including	90	100	10	4.4	includes 1m @ 18.8g/t Au

These results have significantly improved the prospectivity of the Andromeda prospect and drilling along strike to the north will be given a priority during the next six months. Hole ADRC003 did not reach the target depth and needs to be re-drilled. Hence the mineralisation is still open at depth.

Results from **Red Boomerang and Trough Well** are still awaited. The assay laboratory has informed us that any multi-element work is now taking longer than anticipated. Gold only assays are generally quicker, hence these results have been returned earlier than the Red Boomerang and Trough Well results.

- ENDS -

For further details, please contact

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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.

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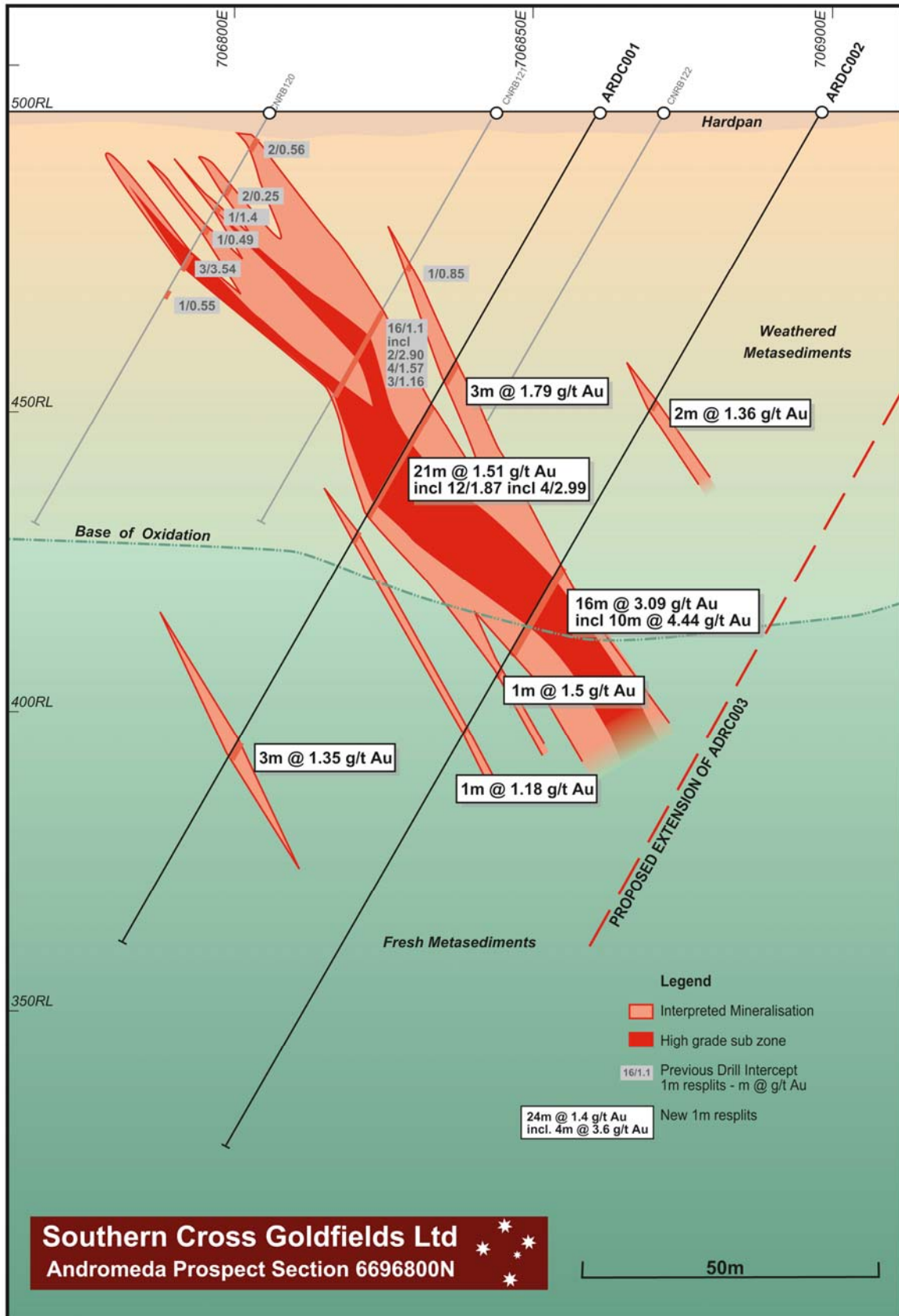


Figure 1 – Andromeda Cross Section – 6800N

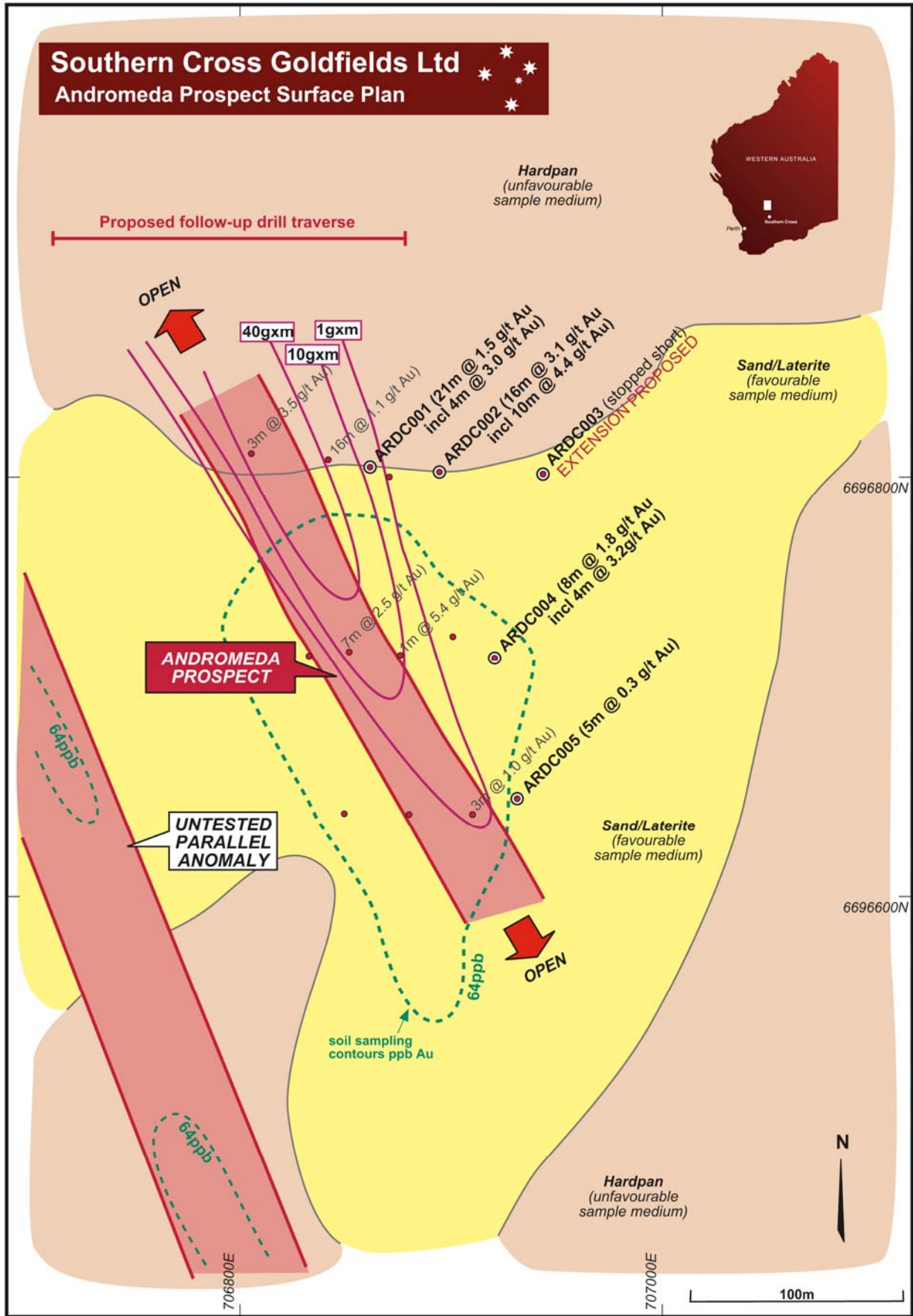


Figure 2 – Andromeda Surface Plan