



ASX RELEASE

21 April 2009

SALE OF IRON ORE ASSETS

Southern Cross Goldfields Limited (SXG) is pleased to announce it has reached agreement to sell its remaining iron-ore interests within its Bullfinch North, Golden Valley and three of its Marda tenements (Figure 1) to Polaris Metals NL (POL) for \$400,000 plus a \$1 per wet metric tonne royalty from the Carina Extended tenement, capped at \$3,000,000.

The \$400,000 will be paid as staged payments of:

- \$100,000 on signing of the formal agreement
- \$200,000 before 31 October 2009
- \$100,000 before 31 January 2010

Should a JORC resource exceeding 3 million tonnes at greater than 58% Fe be defined by POL within the Carina Extended tenement, **an additional \$250,000 will be payable to SXG within 60 days of release of the JORC resource.** This will be deducted from the future royalty payments from the project.

This agreement is an excellent outcome for both SXG and POL. The additional funding available to SXG will assist in progressing development studies on its early production options at the Battler oxide and Dulcie laterite gold projects.

- ENDS -

For further details, please contact

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Refer to www.scross.com.au

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: Figure 1, Schedule 1

Southern Cross Goldfields Ltd

ABN 71 124 374 321 ACN 124 374 321

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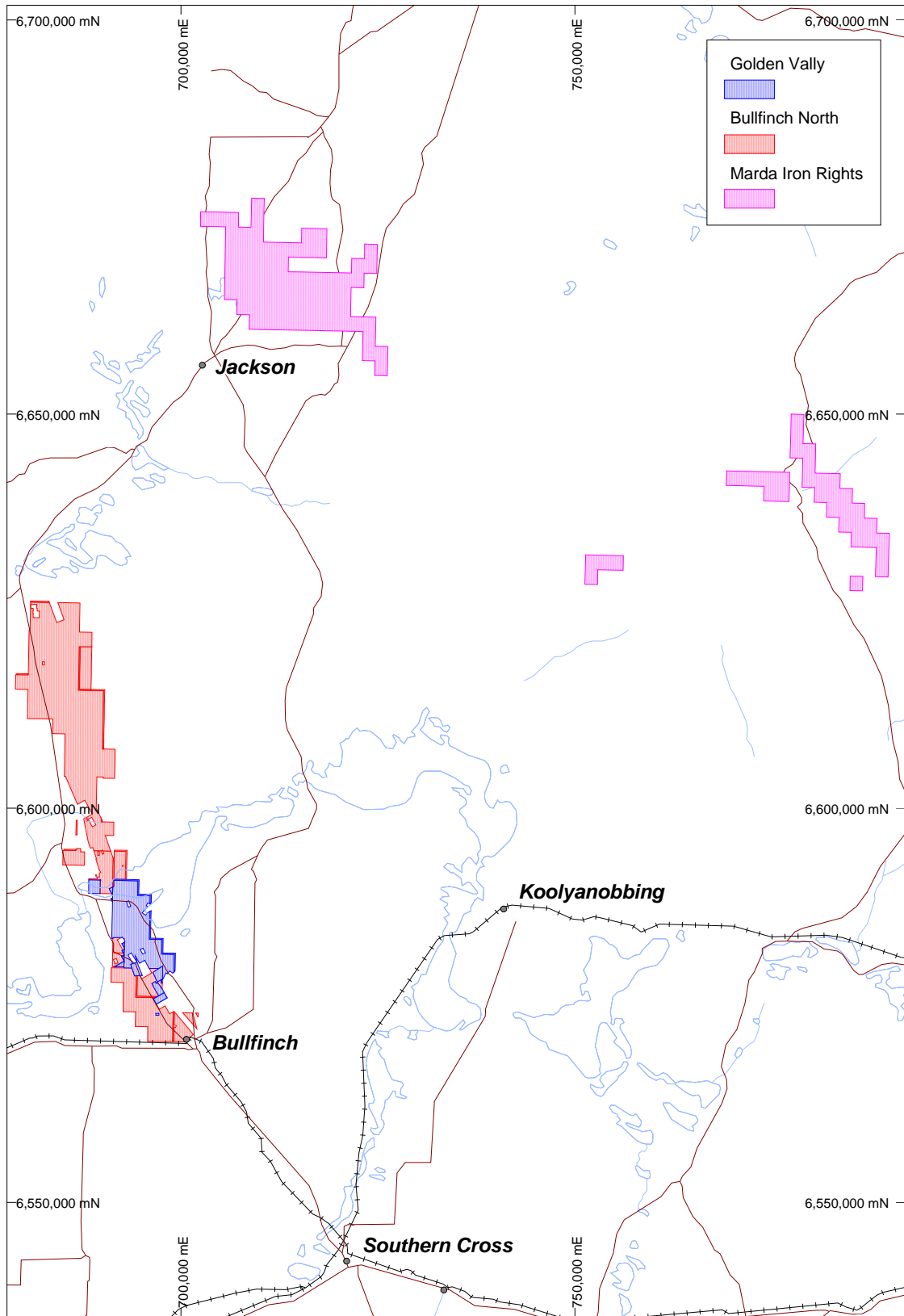


Figure 1 - Tenement Location Plan



Schedule 1 – Tenements

Bullfinch North:

E77/920
E77/1058
E77/1283
E77/1371
E77/1372
E77/1374
E77/1390
ELA77/1391
MLA77/1058
MLA77/1216
P77/3624
P77/3630-3636
P77/3631
P77/3335-3336
P77/3625-3627

Golden Valley:

E77/1368
E77/1373
M77/123
M77/228
M77/1064
MLA77/1089-1090
MLA77/1094
MLA77/1101
MLA77/1103
P77/3295
P77/3301-3303
PLA77/3304
P77/3307
P77/3628-3629

Marda:

E77/1275
ELA77/1380
ELA77/1462