



SOUTHERN CROSS GOLDFIELDS LTD



ASX RELEASE

May 28, 2009

OVERSUBSCRIBED SHARE PURCHASE PLAN CLOSES

Southern Cross Goldfields (ASX: "SXG") announced yesterday that its Share Purchase Plan (SPP) has now closed **oversubscribed**, having raised **\$1,430,000**. Under the SPP eligible shareholders were provided with the opportunity to subscribe for between \$1,250 and \$5,000 worth of Southern Cross Goldfields shares, at an issue price of 7 cents per share.

Southern Cross Goldfields' Managing Director, Mr Tony Truelove, said that shareholders had demonstrated strong support for the Company, with **subscriptions exceeding the capacity available under the SPP**. Approximately 22% of eligible shareholders had subscribed.

"The Southern Cross Goldfields Directors sincerely thank these shareholders for their ongoing support. Because the SPP was oversubscribed, a scale back to some applicants was necessary. The Directors regret the Company was unable to accept all applications and thanks unsuccessful applicants for their ongoing support."

Funds raised in the SPP will be used to:

- drill out and complete a pre-feasibility study on SXG's newly acquired Dulcie laterite gold deposit;
- complete a pre-feasibility study on SXG's Battler gold deposit; and
- continue drill testing the highest priority of SXG's 100 gold and nickel sulphide exploration targets with the aim of discovering stand-alone, high margin ore-bodies.

The Company is focussing on the Dulcie and Battler deposits as they are likely to have a low capital cost and short lead times to production, allowing the Company to take advantage of the historically high gold price and generate funds to continue exploration for high margin ore bodies ("Company Makers"). The Dulcie laterites are likely to be treatable by heap leaching and the Battler deposit can potentially utilise existing and planned infrastructure in the Parker Range project area. The Dulcie laterite project is not dependent on third parties to commence production and is ready for resource definition drilling.

Following completion of this capital raising Southern Cross Goldfields has 88,558,512 fully paid ordinary shares on issue.

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For further details, please contact

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