



ASX RELEASE
March 17, 2010

Iron Ore Potential Identified Within SXG Tenure

- Jackson Iron Prospect – Over 12km strike of BIF with magnetite mineralisation. Selective rock chip sample grades average 37.5% Fe with low deleterious elements.
- Johnston Range Prospect – Folded and faulted BIF with both haematite and magnetite mineralisation. Selective rock chip sample grades of up to 61.6% Fe with low deleterious elements.

SXG is pleased to announce that it has identified potential for over 12km strike of banded iron formation (BIF) at the Jackson iron prospect, consisting of bands of crystalline magnetite (grading to haematite in the south) interbedded with cherty silica within two newly acquired tenements (E77/1427 & E77/1488).

Selective rock chip samples of this unit have returned assays of up to 50.5% Fe (haematitic sample) with an average of 37.5% Fe (Figure 1). This average is within the expected range for magnetite iron ore. Deleterious elements, in particular Al₂O₃ and P, are low (Table 1).

The prospect is located within 8km of existing direct shipping ore (DSO) iron ore prospects and mines owned by third parties, indicating infrastructure within the district is good. The nearest rail line is less than 100km away.

In addition, selective rock chip sampling of outcropping and sub-cropping haematite and magnetite material within a new EL application at Johnston Range (ELA77/1741) has returned promising iron values and low deleterious elements (Table 2). The area is also within close proximity to existing DSO iron ore mines and prospects held by third parties, showing infrastructure within the district is good. These initial results are encouraging but as the tenement is still an application, further work will not be completed until the tenement has been granted.

Commenting on these results, SXG's managing director, Tony Truelove notes:

"SXG has not previously targeted iron ore, as third parties have held rights to this commodity. However, the Company has recently acquired several new tenements and made new applications for tenements in which it will own all mineral rights. Initial reconnaissance suggests that several of these have potential for both magnetite and DSO haematite iron ore mineralisation, as confirmed by the initial selective sampling results. SXG's strategy with respect to iron ore has not yet been finalised but future work will be designed to arrive at a realistic estimate of tonnage and grade potential for both magnetite and DSO in order that the Company can adequately assess all of its options with respect to this commodity."

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Sampl Number	Northing (GDA)	Easting (GDA)	Fe	SiO2	Al2O3	TiO2	CaO	Mn	P XRF	S XRF	MgO	K2O	LOI1000
TTFE27	6660262	703647	42.21	20.49	5.91	1.77	0.03	0.01	0.015	0.081	0.05	0.004	10.48
TTFE32	6663702	706945	0.63	4.57	0.36	0.04	33.52	<0.01	0.016	17.7	0.05	0.032	16.27
TTFE33	6661579	706573	39.96	41.96	0.27	0.01	0.16	0.02	0.025	0.08	0.09	0.002	0.45
TTFE34	6661710	706506	28.29	58.51	0.16	<0.01	0.07	0.01	0.029	0.028	0.04	0.002	0.43
TTFE35	6661849	706395	32.07	53.06	0.15	<0.01	0.08	0.02	0.017	0.011	0.04	0.004	0.4
TTFE36	6662047	706341	36.55	42.57	0.32	<0.01	0.09	0.06	0.02	0.048	0.12	0.012	4.37
TTFE37	6661518	706685	35.69	44.37	0.83	0.03	0.05	0.01	0.102	0.036	0.05	0.002	3.08
TTFE38	6660005	705832	38.89	42.64	0.1	<0.01	0.22	0.03	0.089	0.007	0.05	0.005	0.93
TTFE39	6659857	705969	38.09	42.39	0.07	<0.01	1.45	0.03	0.057	0.009	0.08	0.004	1.21
TTFE40	6658720	708510	36.28	43.38	0.45	0.01	0.06	0.03	0.059	0.011	0.04	0.013	3.83
TTFE41	6658600	708630	49.62	17.68	2.56	0.03	0.07	0.06	0.044	0.051	0.08	0.019	7.94
TTFE42	6658310	708890	50.49	14.06	3.99	0.03	0.1	0.02	0.058	0.059	0.03	0.021	9.2
TTFE43	6658810	708390	24.65	60.54	0.25	<0.01	0.09	0.06	0.048	0.024	0.09	0.006	3.66
TTFE44	6653466	711818	43.62	13.62	11.34	0.6	0.06	<0.01	0.011	0.061	0.04	0.007	11.54

Table 1 – Assay Results (%) of Selective Rock Chip Samples, Jackson Iron Prospect

Sample Number	Northing (GDA)	Easting (GDA)	Fe	SiO2	Al2O3	TiO2	CaO	Mn	P XRF	S XRF	MgO	K2O	LOI
EVFE001	6713802	736809	23.25	62.52	1.8	0.02	0.02	<0.01	0.01	0.034	0.05	0.029	2.16
EVFE003	6713834	736782	41.17	38.59	0.19	<0.01	0.02	<0.01	0.052	0.01	<0.01	0.014	1.97
EVFE004	6714009	737008	52.02	7.58	7.9	1.6	0.02	0.05	0.021	0.064	0.03	0.018	7.74
EVFE006	6714025	737032	56.92	5.17	5.67	3.35	0.02	0.02	0.017	0.042	0.03	0.007	3.52
EVFE007	6713000	732350	61.13	4.02	3.93	0.29	0.03	0.02	0.035	0.059	0.02	0.02	4
EVFE009	6713034	732350	35.78	45.83	0.61	0.03	0.04	0.02	0.047	0.026	0.01	0.015	2.15
EVFE010	6712922	732243	61.08	4.37	3.2	0.12	0.05	0.02	0.04	0.072	0.03	0.018	4.58
EVFE011	6712859	732079	48.76	9.14	10.89	0.78	0.14	0.05	0.026	0.072	0.08	0.011	8.9
EVFE013	6712556	731932	56.39	7.31	4.4	0.14	0.12	0.03	0.038	0.094	0.08	0.008	6.81
EVFE014	6713470	732850	44.61	26.32	3.84	0.05	0.04	0.05	0.045	0.05	0.05	0.006	5.43
EVFE015	6713480	732840	59.1	4.79	3.94	0.07	0.05	0.02	0.044	0.051	0.07	0.008	6.09
EVFE017	6713763	732915	44.04	29.91	2.78	0.1	0.03	0.02	0.041	0.057	0.03	0.011	3.98
EVFE018	6712490	734350	59.76	10.13	1.08	<0.01	0.02	0.05	0.021	0.036	0.05	0.004	2.76
EVFE019	6712476	734317	61.62	3.82	1.96	0.03	0.04	0.02	0.073	0.058	0.03	0.011	5.63
EVFE020	6712446	734274	59.73	6.24	1.89	0.02	0.04	0.02	0.06	0.065	0.04	0.012	5.9
EVFE021	6712266	735405	54.53	12.83	1.91	0.05	0.09	<0.01	0.025	0.096	0.02	0.011	6.67
EVFE022	6712280	735405	41.54	37.11	1.04	<0.01	0.04	0.02	0.033	0.024	0.02	0.007	2.24
EVFE024	6712313	735444	40.39	40.39	0.44	<0.01	0.03	0.02	0.049	0.015	0.01	0.004	1.14
EVFE025	6711629	736071	59.52	3.47	2.71	0.05	0.06	0.05	0.067	0.068	0.02	0.008	8.14
EVFE027	6711715	736121	57.68	4.78	3.28	0.08	0.03	0.03	0.053	0.064	0.05	0.014	8.67
EVFE029	6711779	736157	54.33	8.9	5.14	0.31	0.03	0.02	0.039	0.045	0.04	0.028	7.45
EVFE030	6711867	736230	38.76	41.32	0.47	<0.01	0.02	0.02	0.027	0.016	0.02	0.003	2.66
EVFE033	6711921	736185	57.07	5.4	2	0.04	<0.01	0.03	0.223	0.054	0.02	0.012	10.05
EVFE035	6712014	736415	38.91	40.24	0.7	0.01	0.04	<0.01	0.075	0.032	0.02	0.006	2.96
EVFE038	6712037	736350	61.04	5.18	2.12	0.06	0.06	0.02	0.083	0.058	0.04	0.013	4.85
EVFE039	6712114	736600	54.12	14.62	1.85	0.07	0.1	0.02	0.098	0.044	0.05	0.01	5.23

Table 2 – Assay Results (%) of Selective Rock Chip Samples, Johnston Range Iron Prospect

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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.

Att: Figures 1.

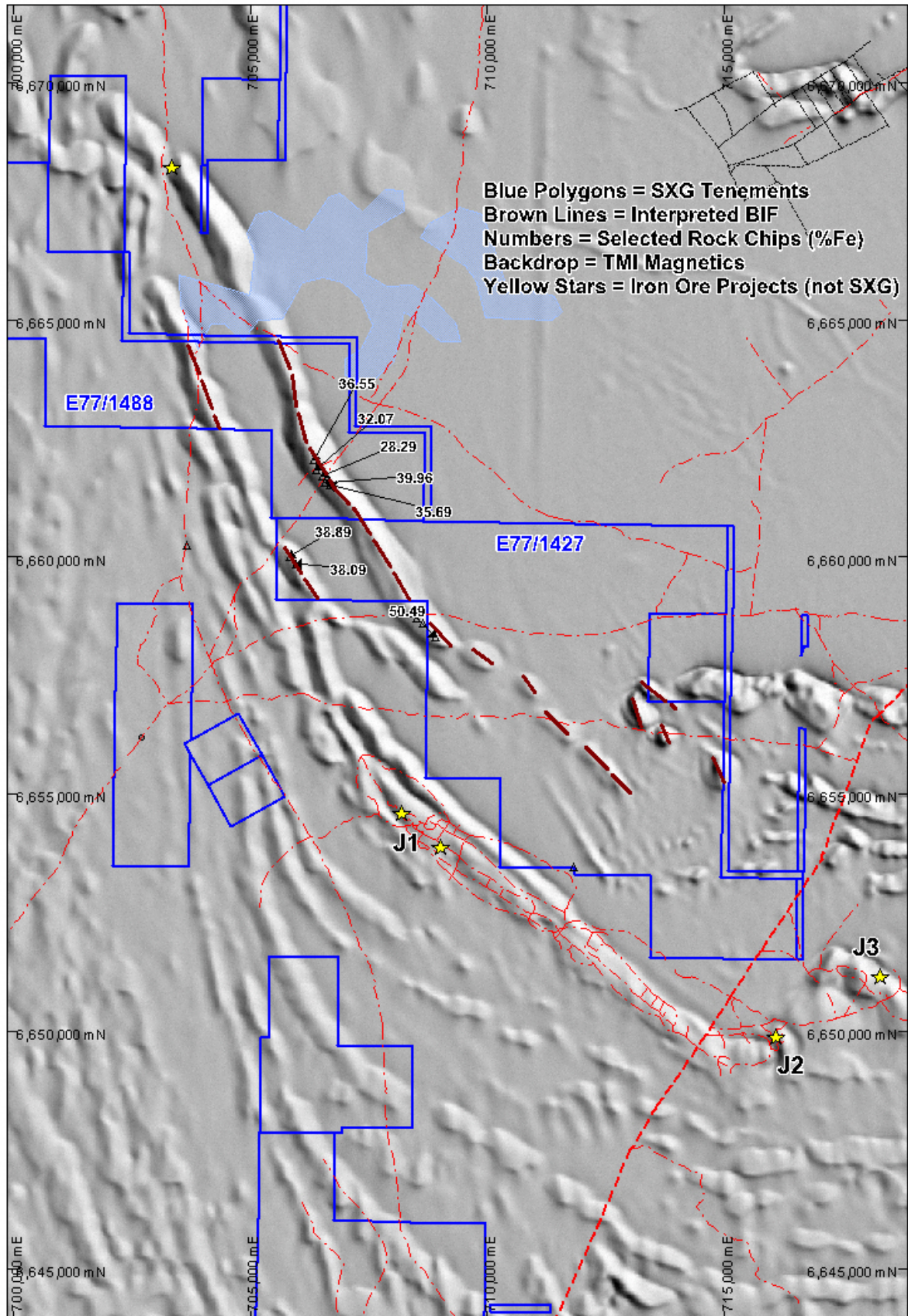


Figure 1 – Magnetic Image Showing SXG Rock Chip Samples, Jackson Iron Prospect