Southern Cross Goldfields Ltd
ABN 71 124 374 321

~3,000km^2 tenement holding in prolific Southern Cross gold belt in Western Australia

Production strategy based on establishment of 400,000tpa processing facility at Marda

Initial production target of 30,000ozpa over 5 years

Feasibility study due September 2011 Quarter

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GOLDEN ORB DRILLING SUCCESS AT DEPTH

Deeper intersections strengthen resource extension and mining potential

Key Points:

- New deep drilling intersections at Golden Orb include:
  - 8m @ 8.5g/t Au from 119m *including* 4m @ 14.5g/t Au in hole GORC023
  - 10m @ 3.9g/t Au from 93m *including* 4m @ 7.8g/t Au in hole GORC060
- Results strengthen resource extension and mining potential for Golden Orb at depth.
- Results compliment recently announced near surface high grade intersections.
- Further results are awaited from Golden Orb West and additional deeper drilling.
- Deposit still open near surface along strike to the west and at depth.

Southern Cross Goldfields (ASX Code: SXG) is pleased to advise that recent infill drilling has returned a series of high grade intersections at depth at the Golden Orb deposit, part of its 100% owned Marda Gold Project in Western Australia (*Figure 1*).

The latest results have strengthened the resource extension and mining potential for Golden Orb at depth. In addition, the new results demonstrate continuity with new drill hole GORC023 being 20 metres east of historic drill hole GOC029 that intersected 6m @ 6.3 g/t Au (including 3m @ 9.7 g/t Au) and with new drill hole GORC060 being 20 metres east of historic drill holes GOC054 and GOC024 that intersected 3m @ 15.8 g/t Au and 7m @ 5.4 g/t Au respectively. The new results are shown on the long projection in Figure 2.

These new intersections compliment the near surface, high grade intersections announced recently which pointed to Golden Orb's potential as an initial open pit high grade feed source for the proposed centrally located 400,000tpa processing facility at Marda Central. Golden Orb is located 15km south-west of Marda as shown in Figure 1.

Golden Orb is one of the Company's largest mineralised systems at over 1km in strike with potential extensions to the existing resource near surface along strike and at depth (see Figure 3). Mineralisation at Golden Orb outcrops at surface and continues to the current extent of drilling approximately 150 metres below surface.

The latest results will be incorporated into a revised JORC Mineral Resource estimate to be undertaken once all assay results are received. The Mineral Resource Estimate (*Table 3*) attached to this announcement was last updated in October 2010.

Commenting on the new results, SXG Managing Director, Glenn Jardine said: "We wanted to demonstrate the resource extension and mining potential at depth at Golden Orb with this aspect of the current drilling programme and it has delivered on both counts. Our previously announced near surface drilling results marked Golden Orb as a potential early high grade open pit feed source. The results of this new deeper drilling now point to high grade underground mining potential as well."

Golden Orb forms part of the Company's gold production and consolidation strategy in the region. The Company is currently conducting a feasibility study into the establishment of a 400,000tpa modular gold plant at Marda to treat ore from its Marda and Southern Cross deposits.

- ENDS -

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Figure 1 - Location Plan

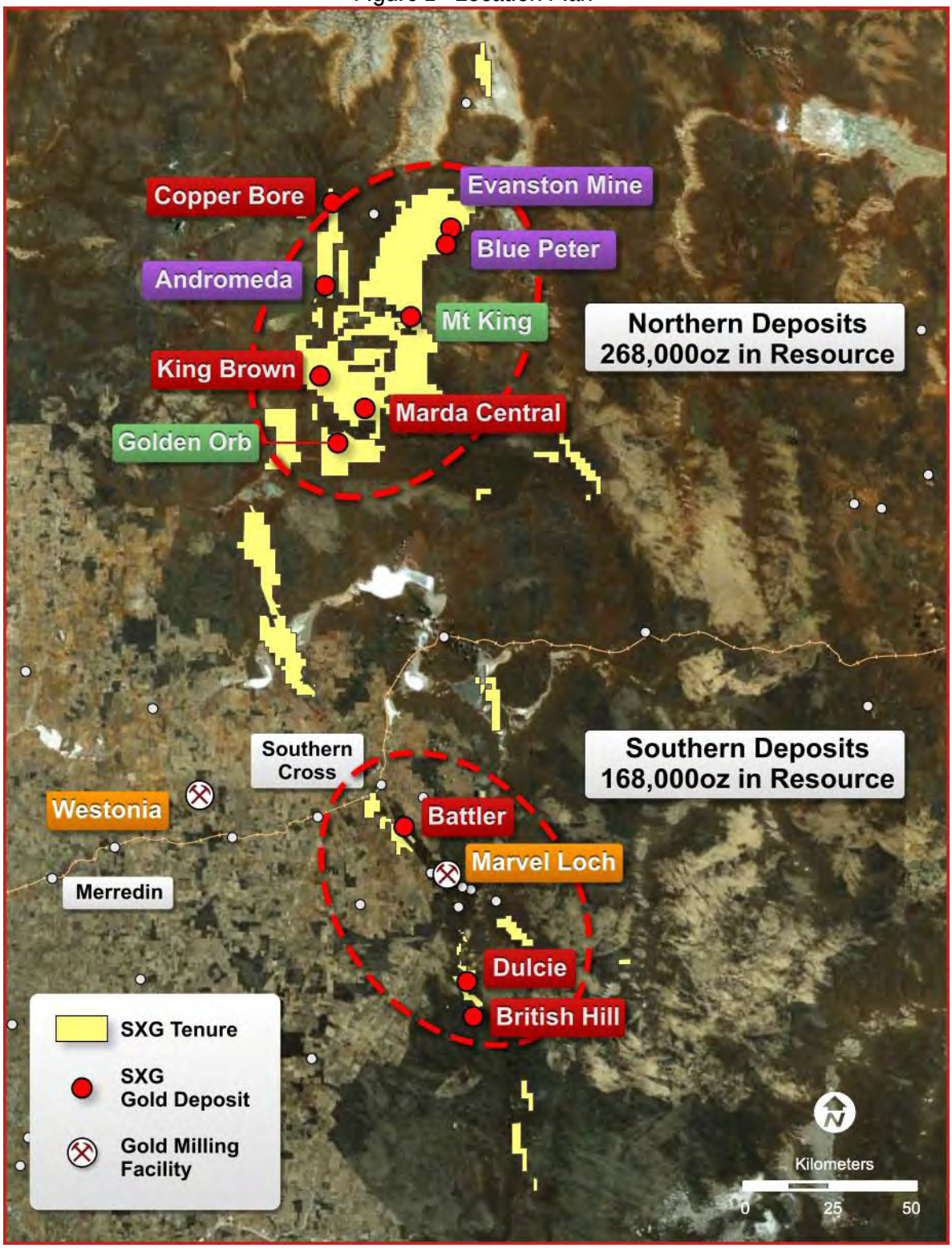

Figure 2 - Golden Orb Long Projection - New Intersections

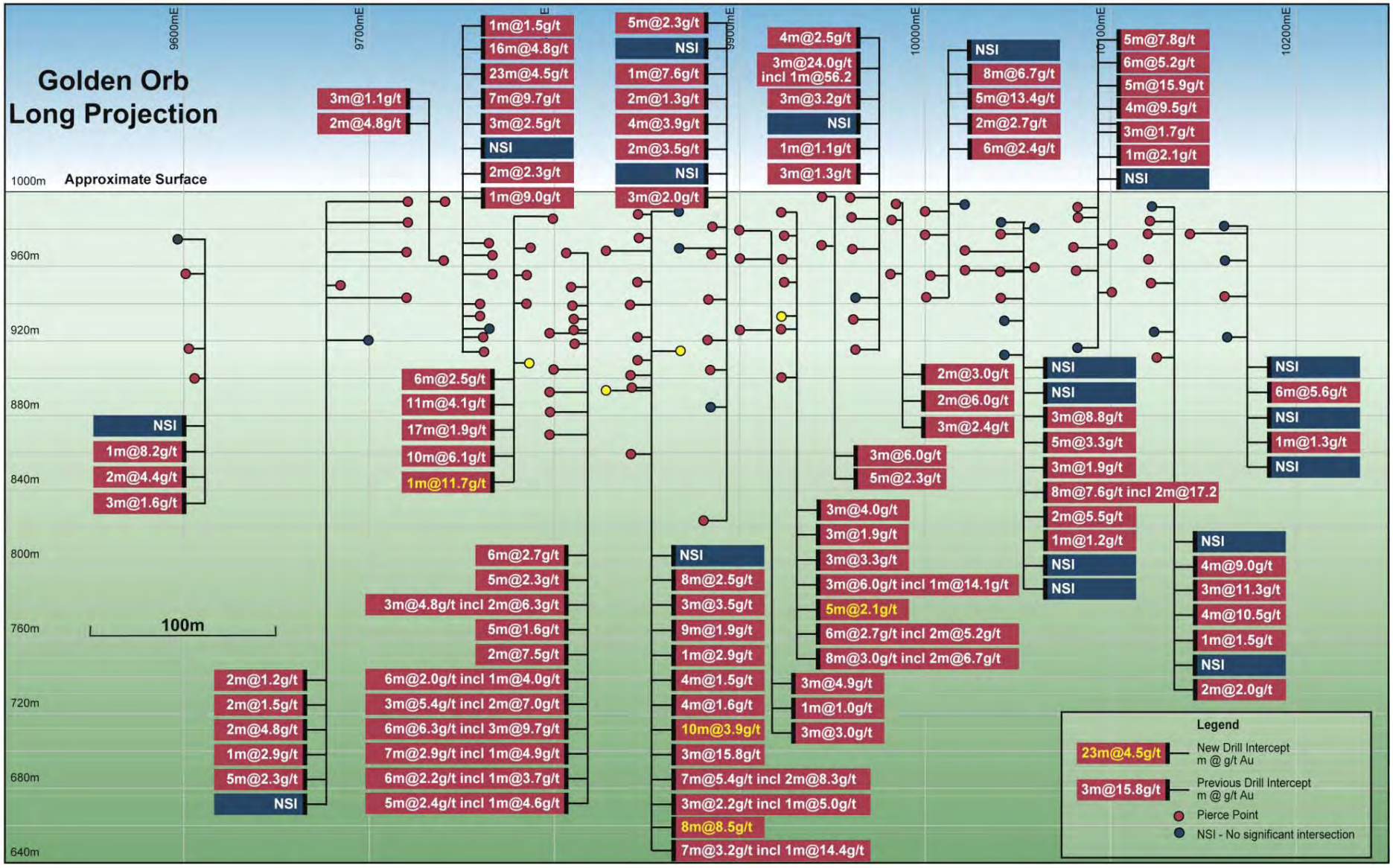

Figure 3 - Golden Orb Long Projection 1 Km Mineralised System

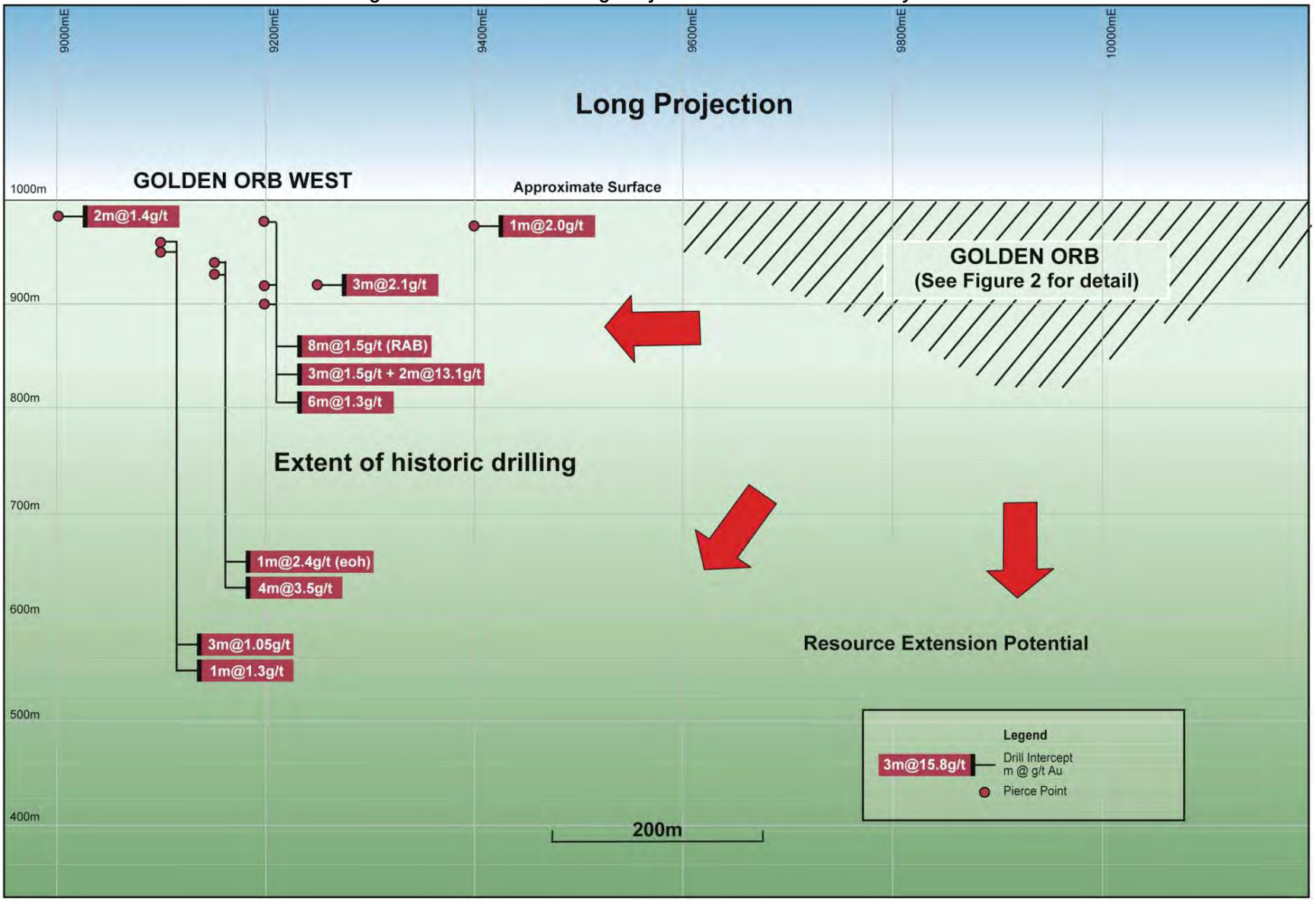

Table 1 - Golden Orb Intersection Results

Hole ID	Depth	MGA East	MGA North	Dip	Azimuth	From M	To M	Interval M	Grade g/t Au
GORC017	170	709720	6647728	-60	215	104	105	1	**11.7**
GORC023	145	709748	6647698	-60	215	119	127	8	**8.5**
including						120	124	4	**14.5**
GORC035	90	709756	6647534	-60	35	82	87	5	**2.1**
including						82	84	2	**4.0**
GORC060	172	709704	6647561	-60	35	93	103	10	**3.9**
including						95	99	4	**7.8**
GORC061	121	709757	6647644	-60	215	92	95	3	**1.4**

Notes to accompany Intersection Results Table:

- Collar co-ordinates in MGA94, Zone 50; local north rotated 35° anti-clockwise from true north.
- Collar survey accuracy is within 1m.
- All drilling is by 5.25 inch face sampling RC hammer and samples are riffle split on site to a nominal 2kg.
- All 1m samples are assayed by 40g fire assay at Ultratrace laboratories, Perth.

Table 2 - Previously Released Golden Orb Intersection Results

Hole ID	Depth	MGA East	MGA North	Dip	Azimuth	From M	To M	Interval M	Grade g/t Au
GORC001	45	709531	6647768	-60	35				**NSI**
GORC002	30	709537	6647776	-60	35	2	4	2	**1.3**
GORC003	70	709598	6647730	-60	35	29	32	3	**3.7**
GORC004	60	709602	6647738	-60	35	3	5	2	**8.8**
incl						4	5	1	**15.3**
GORC005	45	709607	6647746	-60	35	1	4	3	**3.3**
and						8	9	1	**2.3**
GORC006	75	709647	6647722	-60	215	4	5	1	**1.0**
and						20	21	1	**1.2**
GORC007	100	709659	6647739	-60	215	39	41	2	**1.3**
GORC008	60	709655	6647701	-60	215	1	6	5	**1.6**
and						23	29	6	**2.3**
GORC009	30	709644	6647686	-60	215				**NSI**
GORC010	90	709666	6647717	-60	215	50	54	4	**1.0**
GORC011	120	709687	6647710	-60	215	70	73	3	**2.5**
GORC012	90	709677	6647697	-60	215	37	60	23	**4.5**
including						47	57	10	**6.4**
and						69	70	1	**3.7**
GORC013	60	709660	6647674	-60	215	50	51	1	**2.0**
GORC014	70	709678	6647672	-60	215	31	42	11	**4.1**
including						31	35	4	**8.4**
including						33	34	1	**30.0**
GORC015	85	709689	6647685	-60	215	45	62	17	**1.9**
including						57	58	1	**7.3**
GORC016	100	709698	6647696	-60	215	67	77	10	**6.1**
including						69	72	3	**13.2**
GORC018	50	709684	6647639	-60	215				**NSI**
GORC019	65	709694	6647652	-60	215	16	22	6	**2.5**
GORC020	45	709715	6647678	-60	215				**NSI**
GORC021	50	709703	6647634	-60	215				**NSI**
GORC022	80	709714	6647649	-60	215	22	24	2	**3.4**
and						30	39	9	**1.9**
GORC024	70	709704	6647601	-60	35	56	57	1	**2.9**
GORC025	40	709716	6647617	-60	35	12	20	8	**2.5**
GORC026	30	709724	6647628	-60	35				**NSI**
GORC027	70	709728	6647592	-60	35				**NSI**
GORC028	50	709739	6647610	-60	35	NSI - At periphery of mineralisation			

Table 2 -Previously Released Golden Orb Intersection Results (continued)

Hole ID	Depth	MGA East	MGA North	Dip	Azimuth	From M	To M	Interval M	Grade g/t Au
GORC029	117	709721	6647556	-60	35	51	52	1	**2.6**
and						92	97	5	**2.3**
including						93	94	1	**5.1**
GORC030	65	709740	6647586	-60	35	25	29	4	**3.9**
including						26	27	1	**8.1**
GORC031	84	709748	6647554	-60	35	62	65	3	**3.0**
including						63	64	1	**5.2**
GORC032	66	709755	6647569	-60	35	42	43	1	**1.0**
GORC033	50	709761	6647582	-60	25	21	24	3	**4.9**
including						22	23	1	**11.6**
GORC034	40	709768	6647595	-60	35				**NSI**
GORC036	65	709777	6647564	-60	35	39	42	3	**3.3**
GORC037	40	709788	6647581	-60	35	12	15	3	**4.0**
GORC038	72	709799	6647561	-60	35	30	35	5	**2.3**
GORC039	40	709811	6647581	-60	35	1	4	3	**6.0**
GORC040	50	709825	6647565	-60	35	1	4	3	**2.1**
and						13	16	3	**24.0**
including						14	15	1	**56.2**
GORC041	72	709830	6647535	-60	35	48	51	3	**2.4**
GORC042	55	709841	6647552	-60	35	14	16	2	**6.0**
GORC043						2	4	2	**3.0**
GORC044	78	709845	6647519	-60	35	62	68	6	**2.4**
GORC045	45	709866	6647548	-60	35	10	18	8	**6.7**
including						10	11	1	**23.2**
and						15	17	2	**11.1**
GORC046	72	709868	6647522	-60	35	44	52	8	**7.6**
including						49	52	3	**17.2**
GORC047	54	709875	6647534	-60	35	29	34	5	**3.3**
including						31	32	1	**8.6**
GORC048	36	709884	6647547	-60	35	NSI - At periphery of mineralisation			
GORC049	75	709878	6647502	-60	35	49	50	1	**1.2**
GORC050	55	709888	6647518	-60	35	33	36	3	**8.8**
including						34	36	2	**11.2**
GORC051	60	709899	6647499	-60	35	45	48	3	**1.9**
GORC052	40	709910	6647514	-60	35	NSI - At periphery of mineralisation			
GORC053	65	709919	6647491	-60	35	32	36	4	**9.5**
including						33	35	2	**17.2**

Table 2 -Previously Released Golden Orb Intersection Results (continued)

Hole ID	Depth	MGA East	MGA North	Dip	Azimuth	From M	To M	Interval M	Grade g/t Au
GORC054	45	709926	6647505	-60	35	8	13	5	**7.8**
including						8	11	3	**11.1**
and						18	21	3	**1.9**
GORC055	45	709932	6647474	-60	35	60	61	1	**2.1**
GORC056	50	709945	6647492	-60	35	29	34	5	**15.9**
including						30	33	3	**25.8**
GORC057	60	709960	6647479	-60	35	39	43	4	**10.5**
including						41	43	2	**18.7**
GORC058	40	709968	6647493	-60	35	17	21	4	**9.0**
including						19	20	1	**28.4**
GORC059	50	709984	6647480	-60	35	22	28	6	**5.6**
including						24	26	2	**14.9**
GORC062	146	709700	6647488	-60	35	NSI - Did not reach target			
GORC063	135	709708	6647460	-60	35	NSI - Did not reach target			

Notes to accompany Intersection Results Table:

- Collar co-ordinates in MGA94, Zone 50; local north rotated 35° anti-clockwise from true north.
- Collar survey accuracy is within 1m.
- All drilling is by 5.25 inch face sampling RC hammer and samples are riffle split on site to a nominal 2kg.
- All 1m samples are assayed by 40g fire assay at Ultratrace laboratories, Perth.

TABLE 3 - JORC MINERAL RESOURCE ESTIMATE

Deposit	Measured			Indicated			Inferred			Total		
	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces
Python	502,000	2.0	32,500	241,000	1.8	14,000	117,000	1.7	6,000	859,000	1.9	52,000
Dolly Pot	488,000	1.9	29,000	178,000	1.6	9,000	85,000	1.5	4,000	751,000	1.8	43,000
Dugite	196,000	2.1	13,000	82,000	1.7	5,000	20,000	1.6	1,000	298,000	2.0	19,000
Goldstream	200,000	1.9	12,500	26,000	1.6	1,000	7,000	1.6	1,000	233,000	1.9	14,000
King Brown				176,000	3.0	17,000	25,000	2.2	2,000	201,000	2.9	19,000
Battler				432,000	2.4	33,400	72,000	1.8	4,100	504,000	2.3	37,500
British Hill				1,166,000	1.9	71,000	557,000	1.9	35,000	1,724,000	1.9	106,000
Sub Total	**1,386,000**	**2.0**	**87,000**	**2,301,000**	**2.0**	**150,400**	**883,000**	**1.9**	**53,100**	**4,570,000**	**2.0**	**290,500**
Golden Orb							1,023,000	2.2	71,000	1,023,000	2.2	71,000
Mt King							523,000	3.0	50,000	523,000	3.0	50,000
Sub Total	**-**	**-**	**-**	**-**	**-**	**-**	**1,546,000**	**2.4**	**121,000**	**1,546,000**	**2.4**	**121,000**
Total	**1,386,000**	**2.0**	**87,000**	**2,301,000**	**2.0**	**150,400**	**2,429,000**	**2.2**	**174,100**	**6,116,000**	**2.1**	**411,500**
Laterite												
Dulcie				1,020,000	0.7	22,300	100,000	0.7	2,300	1,120,000	0.7	24,600
Total Laterite	**-**	**-**	**-**	**1,020,000**	**0.7**	**22,300**	**100,000**	**0.7**	**2,300**	**1,120,000**	**0.7**	**24,600**
Total	**1,386,000**	**2.0**	**87,000**	**3,321,000**	**1.6**	**172,700**	**2,529,000**	**2.2**	**176,400**	**7,236,000**	**1.9**	**436,100**

Notes to Accompany Mineral Resource Estimate table:

- Numbers may not add due to rounding
- The resource table was last updated on 18 October 2010. Results of drilling announced since that date have not been included in the above table which will be updated when the data has been compiled.
- Resource models except for Battler, were constructed within the GS3 software, a proprietary resource modelling software developed by Hellman and Schofield.
- The resource model for Battler was constructed within the Minesight software.
- The Dulcie resource was estimated using Ordinary Kriging within a wireframe of laterite using 20m by 20m by 1m blocks. The resources for all other deposits are estimates of recoverable tonnes and grades using Multiple Indicator Kriging with block support correction into model blocks customised to the average drill hole spacing for each deposit and assuming smallest mining unit for ore selection in mine grade control of 3 metres (across the general strike of mineralisation) by 5 metres (along strike) by 2.5 metres (elevation).
- Gold estimation and model blocks were constrained within either geologically derived or grade based wireframes.
- Resource assaying data sets derived from all available reverse circulation and diamond drill sampling. No RAB drilling or trenching assays have been used in the estimates.
- Geology has been used to constrain mineralisation as appropriate.
- Weathering domains have been used to constrain mineralisation where appropriate.
- Data density varies and is reflected in the resource category which has been applied. All measured resources have a drill-hole density of approximately12.5m x 12.5m. All indicated resources except Dulcie and Battler have a drill-hole density of approximately 25m x 25m. Dulcie has a drill density of 40m x 40m. Battler has a drill density of 20m x 12.5m. Inferred resources have variable density but always less than 50m x 50m except for Mt King which has variable drill-hole spacing between 25m and 100m.
- Assays are generally fire assay, with limited aqua regia assays in the weathered zone.
- All drill-hole collars are surveyed by GPS. Down hole surveys are limited, except at British Hill, where most drill-holes are surveyed.
- A lower cut-off of 1.0 g/t Au has been used except at Dulcie where a lower cut-off of 0.4g/t Au has been used.

JORC Code Compliance Statement

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

The resource estimation of the Battler deposit is based on work completed by independent consultant Mr Dean Fredericksen of Fredericksen Geological Solutions based on resource drilling data sets provided by SXG. Mr Fredericksen is a Member of The Australasian Institute of Mining and Metallurgy and qualifies as a Competent Person in respect of the 2004 JORC code by virtue of having sufficient experience which is relevant to the style of mineralisation and deposit types being estimated. Mr Fredericksen has consented to the inclusion of this information in the form and context in which it appears in this report.

The resource estimation of the Dulcie deposit is based on work completed by Mr Jonathon Abbott utilising resource drilling data sets provided by SXG. Mr Abbott is a full time employee of Hellman and Schofield Pty Ltd and a member of the Australasian Institute of Mining and Metallurgy. Mr Abbott has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which 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'. Mr Abbott consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The resource estimation of the King Brown, Golden Orb, British Hill, Python, Dolly Pot, Dugite, Goldstream and Mount King deposits is based on work completed by Mr Nic Johnson utilising resource drilling data sets provided by SXG. Mr Johnson is a full time employee of Hellman and Schofield Pty Ltd and a member of the Australian Institute of Geoscientists. Mr Johnson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which 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'. Mr Johnson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Disclaimer

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Forward-Looking Statements

This document contains forward looking statements concerning the projects owned by SXG. Statements concerning mining reserves and resources may also be deemed to be forward looking statements in that they involve estimates based on specific assumptions. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties and other factors. Forward looking statements are based on SXG's beliefs, opinions and estimates as of the dates the forward looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.