

SOUTHERN CROSS EXPLORATION N L

A.C.N. 000 716 012

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Forty-second Annual General Meeting of **SOUTHERN CROSS EXPLORATION N L** will be held at the CTA Club, corner of Martin Place and Castlereagh Street, Sydney on **Thursday, 30 May 2013 at 3.00 p.m.**

BUSINESS

To receive and consider the Financial Report for the year ended 31 December 2012 and the Reports of the Directors and Auditors.

There is no requirement for shareholders to approve these Reports.

Ordinary Resolutions

To consider and if thought fit to pass the following resolutions, with or without modification, as Ordinary Resolutions:

1. "THAT the Remuneration Report, which forms part of the Directors' Report for the year ended 31 December 2012 be considered and adopted".
Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company. However, if at least 25% of votes cast on this resolution are against this Resolution, then the Spill Meeting under Resolution 8 below will be put to shareholders for their consideration and vote.
2. "THAT Mr Stephen Baghdadi, who having being appointed as a Director during the year retires and being eligible offers himself for election, be elected as a Director of the Company".
3. "THAT Mr Bruce Burrell, who having being appointed as a Director during the year retires and being eligible offers himself for election, be elected as a Director of the Company".
4. "THAT Mr Alexander Keach, who having being appointed as a Director during the year retires and being eligible offers himself for election, be elected as a Director of the Company".
5. "THAT Mr Antonio Vieira, who having being appointed as a Director during the year retires and being eligible offers himself for election, be elected as a Director of the Company".
6. "THAT for the purposes of ASX Listing Rule 7.4, shareholders ratify and approve the previous issue of 27 million shares, as detailed in the Explanatory Note below."

SPECIAL BUSINESS

To consider and if thought fit to pass the following resolutions, with or without modification, as Ordinary Resolutions:

7. "THAT under the provisions of Listing Rule 7.1 the Directors be authorised to make placements of up to three hundred million ordinary fully paid shares in the capital of the Company at a price of three (3) cents per share or the minimum price of at least 80% of the average market price, within three months from the date of this meeting or such other date as may be allowed by the Australian Securities Exchange, to such persons, companies and institutions as the Directors may determine, other than related parties as defined in the Corporations Act".

Holding a Spill Meeting - Conditions for considering Resolution 8

Resolution 8 will only be considered at the Annual General Meeting if it is unclear whether less than 25% of the votes cast on Resolution 1 are against the adoption of the Remuneration Report. The Explanatory Statement further explains the circumstances in which Resolution 8 will be put to the meeting.

8. "THAT, subject to and conditional on at least 25% of the votes cast on Resolution 1 being against the adoption of the Remuneration Report, and as required by the Corporations Act:
- (a) a meeting of the Company's members be held within 90 days of the date of the 2013 Annual General Meeting (**Spill Meeting**);
 - (b) all of the Directors who were Directors when the resolution to approve the Directors' Report for the year ended 31 December 2012 was passed (excluding the Managing Director) cease to hold office immediately before the end of the Spill Meeting; and
 - (c) resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting be put to the vote at the Spill Meeting."

To transact any other business which may be brought forward in accordance with the Company's Constitution.

Voting Exclusion Statements

Resolutions 1 and 8

The Company will disregard any votes cast (in any capacity) by a member of the Company's key management personnel named in the 2012 Remuneration Report, or by a closely related party of any such member as defined in the Corporations Act 2001, on the proposed Resolutions 1 and 8 unless:

- the vote is cast as proxy for a person entitled to vote in accordance with a direction on the proxy form; or
- the vote is cast by the Chairman of the Meeting where he has been expressly authorised to do so.

Resolution 6

The Company will disregard any votes cast on this resolution by any of the allottees and their associates.

Resolution 7

The Company will disregard any votes cast on Resolution 7 by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, and any associates of those persons, if the resolution is passed.

However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by a person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

By order of the Board of
Southern Cross Exploration N L



E Goh
Secretary

April 2013

PROXIES

Members unable to attend the meeting are invited to complete and lodge the enclosed Proxy Form. A member entitled to attend and vote may appoint not more than two proxies, who need not be members. Where more than one proxy is appointed, each proxy may be appointed to represent a specified proportion of the member's voting rights. To be valid, proxies may be lodged at the company's Registered Office - Level 8, 82 Elizabeth Street, Sydney, NSW, Australia - or may be transmitted to FAX number - (02) 9233 6475 - or sent via e-mail to sxx@sxxgroup.com - and must be received no later than forty-eight (48) hours before the scheduled start of the meeting. A proxy form presented by a company can be under its Common Seal.

INFORMATION FOR SHAREHOLDERS

Explanatory Statement

This Notice of Annual General Meeting should be read in conjunction with the attached Explanatory Statement. The Explanatory Statement forms part of this Notice of Annual General Meeting.

Date for determining voting entitlements

The Directors have determined that for the purposes of the Corporations Act, the persons eligible to vote at the meeting will be those persons who are registered as a holder of shares in the Company as at 5.00pm (Sydney time) on Tuesday, 28 May 2013. Transfers registered after this time will be disregarded in determining entitlements to vote at the meeting.

Appointment of Proxies

A shareholder entitled to attend and vote at the meeting is entitled to appoint not more than two proxies.

Where more than one proxy is appointed, each proxy may be appointed to represent a specified number or proportion of votes. If no such number or proportion is specified, each proxy may exercise half of the shareholder's votes. A proxy does not have to be a shareholder of the Company.

Shareholders are encouraged to consider how they wish to direct their proxies to vote.

The proxy form must be signed by the shareholder or his or her attorney in accordance with the directions on the proxy form.

To be valid, the proxy form and the power of attorney or other authority (if any) under which it is signed (or an attested copy) must be received by the Company at the address or fax number listed below not later than 48 hours before the time for holding the meeting, that is **no later than 3.00 p.m. on Tuesday 28 May 2013**.

The proxy form must be lodged with the Company at either its Registered Office - Level 8, 82 Elizabeth Street, Sydney, NSW, Australia - or may be transmitted to FAX number - (02) 9233 6475 - or sent via e-mail to **sxx@sxxgroup.com**

Corporate Representatives

A company wishing to appoint a person to act as its representative at the meeting must provide the person with:

- a letter or certificate executed in accordance with the Corporations Act authorising that person as the corporate shareholder's representative at the meeting; or
- a copy of the resolution appointing that person as the corporate shareholder's representative at the meeting, certified by a secretary or director of the corporate shareholder.

Proxy voting on Resolution 1 (Remuneration Report) and Resolution 8 (Holding a Spill Meeting)

The Key Management Personnel of the Company and their closely related parties will not be able to vote as your proxy on Resolutions 1 and 8 unless you tell them how to vote, or the Chairman of the Meeting is your proxy. If you intend to appoint a member of the Key Management Personnel or one of their closely related parties as your proxy, please ensure that you direct them how to vote on Resolutions 1 and 8, otherwise they will not be able to cast a vote as your proxy on that item.

You can direct your proxy how to vote on an item of business (i.e. to vote "For", "Against" or "Abstain") by marking the appropriate box opposite the item on the proxy form.

If you appoint the Chairman of the Meeting as your proxy or the Chairman of the Meeting is appointed as your proxy by default, but you do not mark a voting box for Resolutions 1 and 8, by signing and returning the proxy form you will be taken to have expressly authorised the Chairman of the Meeting to exercise the proxy in respect of those Resolutions, even though those Resolutions are connected with the Remuneration of the Company's Key Management Personnel.

The Chairman of the Meeting intends to vote undirected proxies (where authorised) in FAVOUR of Resolution 1 (Remuneration Report) and AGAINST Resolution 8 (Holding a Spill Meeting).

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of shareholders of **Southern Cross Exploration N L** (the **Company**) in connection with the business to be conducted at the Annual General Meeting (**AGM**) of Shareholders to be held at the CTA Club, corner of Martin Place and Castlereagh Street, Sydney on **Thursday, 30 May 2013 at 3.00 p.m.**

FINANCIAL REPORT and REPORTS OF DIRECTORS AND AUDITORS

This matter deals with the presentation of the Annual Financial Report, Directors' Report and Auditor's Report for the Company and its controlled entities for the year ended 31 December 2012. In accordance with the Corporations Act 2001 (Cth) (**Corporations Act**), shareholders will be given a reasonable opportunity at the AGM to ask questions and make comments on the financial statements and reports and on the management of the Company.

During discussion of this item, the Company's auditor will be present and available to answer questions relevant to the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in relation to the preparation of financial statements or the independence of the auditor in relation to the conduct of the audit.

No resolution is required to be moved in respect of this item of business.

RESOLUTION 1 - ADOPTION OF REMUNERATION REPORT

In accordance with the Corporations Act 2001, the Remuneration Report is put to shareholders for adoption. Details of the Remuneration Report are included in the Directors' Report and in Note 20.1 in the Financial Report. The vote on this resolution is advisory only and does not bind the Directors or the Company. Reasonable opportunity for shareholders to ask questions about or comment on the Remuneration Report will be given at the meeting.

At last year's AGM, more than 25% of the votes cast in respect of the resolution to adopt the 2011 Remuneration Report were voted against that resolution [29.14%]. Because the votes "against" exceeded 25% of the votes cast, the Company recorded what is known as a "first strike" under the new executive remuneration provisions of the Corporations Act 2001, which applied for the first time in 2011.

If (**and only if**) the votes at this AGM against the 2012 Remuneration Report represent at least 25% of the votes cast, the Company will receive a "second strike". Under the Corporations Act, if the Company receives a second strike, a resolution must be put to shareholders, allowing shareholders, if they so choose, to pass a resolution to hold fresh elections for directors (**Spill Resolution**). Resolution 8 sets out the Spill Resolution. If Resolution 8 is put and passed, then it will be necessary for the Board to convene a further general meeting (**Spill Meeting**) of the Company within 90 days of the AGM in order to consider the composition of the Board (see below for more details).

During discussion on this item of business, there will be an opportunity for shareholders to ask questions about, or comment on, the Remuneration Report. If the Chairman of the Meeting is a proxy and the relevant shareholder does not direct the Chairman how to vote on the resolution by marking either the 'For', 'Against' or 'Abstain' box opposite Resolution 1, the relevant shareholder will be authorising the Chairman to vote in favour of Resolution 1.

Directors' Recommendation

The Directors unanimously recommend that shareholders vote in favour of adopting the Remuneration Report.

EXPLANATORY STATEMENT (cont'd)

RESOLUTION 6 - RATIFICATION AND APPROVAL OF PREVIOUS ALLOTMENT AND ISSUE OF SECURITIES

The purpose of Resolution 6 is for shareholders to approve and ratify, under ASX Listing Rule 7.4, those securities issues which occurred during the 12 months before the date of this General Meeting which count towards the Company's 15% limit under ASX Listing Rule 7.1.

ASX Listing Rule 7.1 provides that prior approval of shareholders is required for an issue of securities if the securities will, when aggregated with the securities issued by the entity during the previous 12 months, exceed 15% of the number of the securities at the commencement of the 12 month period.

The allotment and issue of securities detailed in Resolution 6 did not exceed the 15% threshold. However, ASX Listing Rule 7.4 provides that where an entity ratifies an issue of securities, the issue will be treated as having been made with approval for the purpose of ASX Listing Rule 7.1, thereby replenishing that entity's 15% capacity and enabling it to issue further securities up to that limit.

The information required to be given to shareholders to satisfy ASX Listing Rule 7.4 is specified in ASX Listing Rule 7.5. In compliance with the information requirements of ASX Listing Rule 7.5, shareholders are advised of the following particulars in relation to the allotment and issue:

Allottees	Number of shares
Red and White Holdings Pty Ltd <Blood Super Fund A/C>	7,500,000
Alexander Keach	1,000,000
Aegian Pal Pty Ltd <Elpida Super Fund A/C>	7,500,000
Melanie Sarah Burrows	1,000,000
Russell Leon Leary and Belinda Jayne Leary <RL and BJ Leary Pension A/C>	2,000,000
Extra Large Pty Ltd <MG Ogilvie S/F A/C>	5,000,000
Mr David Richard Hazle and Mrs Jane Valerie Hazle <D & J Hazle Super Fund A/C>	1,000,000
Lindores Holdings Pty Ltd <Bryce Lindores Family A/C>	<u>2,000,000</u>
	<u>27,000,000</u>

All of the above shares were issued at \$0.01 (one cent) per share. They rank pari passu with existing fully paid ordinary shares. The funds were utilised for exploration and investment projects, repayment of liabilities and general purposes.

RESOLUTION 7 - AUTHORITY TO MAKE SHARE PLACEMENTS

There is at present no definite basis on which Directors will decide who the allottees will be. If any issue of shares will be made, Directors will allot the shares to sophisticated and institutional investors who are prepared to take up shares at the best obtainable price but not less than the minimum issue price, as defined in Listing Rule 7.3.3. The average market price of the shares would be based on recorded sales, in accordance with Australian Securities Exchange Listing Rules.

Allotment of any shares issued would occur progressively. All shares issued under this Resolution would rank pari passu with the existing shares

If and when any placements will be made, the capital raised could be utilised for acquisition of new exploration, mining or investment projects; exploration and development of existing projects; repayment of liabilities and for general purposes.

EXPLANATORY STATEMENT *(cont'd)*

RESOLUTION 8 - HOLDING A SPILL MEETING

The Corporations Act was amended with effect from 1 July 2011 to introduce the so-called "two-strikes rule". If at least 25% of the votes cast on the adoption of the Remuneration Report at two consecutive AGMs are against adopting the Remuneration Report, shareholders will have the opportunity to vote on a "Spill Resolution".

At last year's Annual General Meeting, at least 25% of the votes cast on the resolution to adopt the Remuneration Report were against adopting the report.

If it is unclear during the meeting that less than 25% of the votes cast on Resolution 1 are against the adoption of the Remuneration Report, Resolution 8 will be put to the meeting and voted on as required by section 250V of the Corporations Act (**Spill Resolution**).

In the event that this Resolution is passed, it will only be effective if, once the formal results of the poll conducted on Resolution 8 are settled, at least 25% of the votes cast on Resolution 8 are against the adoption of the Remuneration Report.

If it is clear during the meeting that less than 25% of the votes cast on Resolution 8 are against adopting the Remuneration Report at this year's Annual General Meeting, then there will be no second strike and Resolution 8 will not be put to the meeting.

If put, the Spill Resolution will be considered as an ordinary resolution.

Shareholders should note that if the Spill Resolution is passed:

- the Company will convene a General Meeting of members to be held within 90 days of the date of this year's Annual General Meeting (**Spill Meeting**); and
- each of the Directors who were Directors when the last Directors' Report was approved by the Board (**Relevant Directors**) (other than the Managing Director, Mr Boris Ganke) - **being Mr Stephen Baghdadi, Mr Bruce Burrell, Mr Alexander Keach and Mr Antonio Vieira** - will cease to hold office *immediately before the end of the Spill Meeting*.

Each Relevant Director is eligible to seek re-election as a Director of the Company at the Spill Meeting. Therefore, even if Messrs Baghdadi, Burrell, Keach and Vieira are elected at the AGM, they will still be subject to the Spill Resolution and will need to be re-elected at the Spill Meeting if they are to remain as Directors. However, Mr Boris Ganke, as Managing Director, is excluded from the requirement to retire and stand for election at the Spill Meeting.

Shareholders should be aware that if the Spill Resolution is passed the convening of a Spill Meeting will result in the Company incurring material additional expense in conducting the meeting as well as the potential disruption to its focus on core business operations. Shareholders should also note that there are no voting exclusions applicable to the resolutions appointing directors at the Spill Meeting.

Directors' Recommendation

The Directors unanimously recommend that shareholders vote against the Resolution) to convene a Spill Meeting (Resolution 8) if it is put to shareholders.

SOUTHERN CROSS EXPLORATION

A.C.N. 000 716 012

PROXY FORM

REGISTERED & ADMINISTRATIVE OFFICE:
Level 8, 82 Elizabeth Street,
Sydney NSW 2000
Phone: (02) 9233 6022; Fax: (02) 9233 6475
e-mail: sxx@sxxgroup.com

MAIL TO:
GPO BOX 4246
Sydney NSW 2001

.....
(NAME OF SHAREHOLDER - BLOCK LETTERS PLEASE)

of
(Address)

being a member of **SOUTHERN CROSS EXPLORATION N L**, hereby appoint/s:

..... to represent% of voting rights,
(Name of Proxy)

or, failing them, the Chairman of the Meeting, as the Proxy to vote at the Annual General Meeting of the Company to be held on **Thursday, 30 May 2013 at 3.00 p.m.** at the CTA Club, corner of Martin Place and Castlereagh Streets, Sydney and at any adjournment thereof.

The Chairman intends to vote undirected proxies FOR all of the proposed resolutions, except Resolutions 1 and 8.

If the Chairman of the meeting is appointed as your proxy, or may be appointed by default and you do not wish to direct your proxy how to vote as your proxy in respect of a resolution, please place a mark in this box:

By marking this box, you acknowledge that the Chairman of the meeting may exercise your proxy even if he has an interest in the outcome of the resolutions and that votes cast by the Chairman of the Meeting for those resolutions other than as proxy holder will be disregarded because of that interest.

If you do not mark this box, and you have not directed your proxy how to vote - by marking the boxes below - the Chairman will not cast your votes on the resolutions and your votes will not be counted in calculating the required majority if a poll is called on the resolutions.

VOTING DIRECTIONS - please insert an (X) in the appropriate boxes below.

* An abstention will not be counted for the purposes of calculating the percentage of votes cast for, or against, a motion.

BUSINESS

Ordinary Resolutions	FOR	AGAINST	ABSTAIN *
1. To adopt the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Election of Director - Mr Stephen Baghdadi	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Election of Director - Mr Bruce Burrell	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Election of Director - Mr Alexander Keach	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Election of Director - Mr Antonio Vieira	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Ratification and approval of previous issue of 27 million shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SPECIAL BUSINESS:

7. Authority to place shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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The Chairman intends to vote all undirected proxies AGAINST Resolution 8:

8. Hold a Spill Meeting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Dated this day of 2013

Signature(s) of shareholder/s:

(Companies: - Common Seal may be used)

[PTO]

PROXIES

A member entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the member's voting rights. A proxy need not be a member. To be valid, proxies may be lodged at the company's Registered Office - Level 8, 82 Elizabeth Street, Sydney, NSW - or may be transmitted to FAX number (02) 9233 6475 - or sent via e-mail to **sxx@sxxgroup.com** - and must be received no later than forty-eight (48) hours before the scheduled start of the meeting (i.e. proxies must be received by 3.00 p.m. on Tuesday 28 May 2013).

NOTICE OF CHANGE OF ADDRESS

If your address has changed from that shown on the label of this Notice of Meeting, please advise the correct address in full:

.....

Contact details (optional)

Contact Name:

Phone, Fax and/or e-mail:

Please see the Information for Shareholders and the Explanatory Statement included with the Notice of Meeting for further information on the Resolutions and completion of your Proxy Form