



Southern Cross Exploration N.L.

A.C.N. 000 716 012

82 ELIZABETH STREET, SYDNEY
e-mail: sxx@sxxgroup.com

TELEPHONE: 9233 6022

FAX: 9233 6475
www.sxxgroup.com

PLEASE ADDRESS ALL CORRESPONDENCE TO GPO BOX 4246 SYDNEY NSW 2001

9 April 2013

e-Lodgement

FOR PUBLIC RELEASE

Manager - ASX Market Announcements
Australian Securities Exchange Limited
20 Bridge Street
Sydney NSW 2000

Dear Madam

Re Non-Renounceable Rights Issue - Letter to Shareholders

Southern Cross Exploration N L advises that it has today sent the attached letter to shareholders (with registered addresses in Australia and New Zealand) in respect of the rights issue being conducted by the Company and announced to the market on 8 April 2013.

For and on behalf of

Southern Cross Exploration N L

E Goh
Company Secretary



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Dear Shareholder

Pro rata Non-renounceable Rights Issue to Shareholders

On 8 April 2013, Southern Cross Exploration N.L., ACN 000 716 012 (**Southern Cross** or **Company**) announced a capital raising by way of a pro-rata non-renounceable rights issue on the basis of 1 fully paid ordinary share in Southern Cross (**Share**) for every 1 Share held at an issue price of \$0.012 per Share. The Rights Issue will raise a total of \$2,484,000 before issue costs (**Rights Issue**).

The Rights Issue is fully underwritten by Gleneagle Securities (Aust) Pty Ltd, ACN 136 930 526 AFSL 337985 (**Gleneagle**).

The funds raised under the Rights Issue will be used by the Company to reduce the Company's liabilities owed to Longreach Oil Limited (**Longreach**) and Chapmans Limited, also to meet commitments with respect to the Bigrlyi joint venture and to fund the Company's general working capital requirements.

The Rights Issue is made pursuant to section 708AA of the *Corporations Act 2001* (Cth) (**Act**) (as modified by Australian Securities and Investments Commission Class Order 08/35) without the issue of a prospectus or disclosure document under Chapter 6D of the Act.

Eligible Shareholders

The Rights Issue is for all Southern Cross Shareholders:

- (a) on record as at 5:00pm (Sydney time) on 16 April 2013 (**Record Date**);
- (b) with registered addresses in Australia or New Zealand; and
- (c) who are eligible under all applicable securities laws to receive an offer under the Rights Issue and to whom it would not be unlawful to offer shares under the Rights Issue.

The Company has determined it is unreasonable to make offers to Shareholders other than those with registered addresses in Australia or New Zealand, having regard to the number of Shareholders outside Australia and New Zealand, the number and value of the New Shares that would be offered to such Shareholders, and the cost of complying with the legal and regulatory requirements outside those countries.

If you do not meet the criteria set out above in paragraphs (a) to (c) you are not eligible to participate in the Rights Issue. A separate letter has been sent to shareholders with a registered address outside Australia and New Zealand.

Further Details

The Rights Issue is fully explained in the Letter of Offer, which was released on to the ASX announcements platform on 8 April 2013. A copy of the Letter of Offer is available on the ASX website www.asx.com.au by searching company announcements under the Company's ASX code "SXX", and also on the Company's website www.sxxgroup.com. A copy of the Letter of Offer with an Entitlement and Acceptance Form will be despatched to Eligible Shareholders on 17 April 2013.

There are currently 207,000,000 Shares on issue. A total of 207,000,000 new Shares (**New Shares**) will be issued under the Rights Issue. On completion of the Rights Issue there will be 414,000,000 Shares on issue. More information is set out in the Letter of Offer. Further, the Company has released an Appendix 3B on the ASX, containing detailed information to which Shareholders are referred.

Shareholder approval is not required for the Rights Issue.

The New Shares issued under the Rights Issue will be fully paid ordinary shares ranking equally in all respects with the fully paid ordinary shares in the Company already on issue.

The Company has applied for quotation on the ASX of all new Shares to be issued pursuant to the Rights Issue.

The Rights Issue is non-renounceable - i.e. entitlements cannot be sold or otherwise transferred.

The Rights Issue offer is fully underwritten by Gleneagle. Longreach has agreed to sub-underwrite a maximum commitment of \$2,100,000, being 84.5% of the underwritten amount (which amount includes Longreach's entitlement under the Rights Issue and which amount will be scaled back on a dollar for dollar basis by Gleneagle if sub-underwriting commitments in excess of 100% of the underwritten amount are received prior to close of the Rights Issue).

New Shares offered under the Rights Issue that are not applied for by Eligible Shareholders under their entitlement will form the shortfall (**Shortfall**). Eligible Shareholders (excluding Longreach) may apply for shares at the Issue Price in addition to their pro rata entitlement under the Rights Issue to the extent that there is any Shortfall (**Shortfall Facility**).

Accordingly, any entitlement not taken up pursuant to the Rights Issue will form the shortfall that will be dealt with firstly under the Shortfall Facility available to Eligible Shareholders (excluding Longreach) and then by Gleneagle as underwriter in accordance with the underwriting agreement and sub-underwriting arrangements.

Key Dates

The indicative timetable for the Rights Issue is as follows:

Event	Date
Letter of Offer for Rights Issue lodged with ASX	8 April 2013
Notice with information on Rights Issue sent to Shareholders	9 April 2013
Shares commence trading on ASX on an ex rights basis	10 April 2013
Record Date for participation in Rights Issue	16 April 2013
Letter of Offer dispatched to Shareholders	17 April 2013
Rights Issue offer open for acceptance	17 April 2013
Closing time and date for acceptance and payment in full under Rights Issue (5:00 pm AEDT) (Closing Date)	2 May 2013
Shares quoted on a deferred settlement basis	3 May 2013
Notice of under-subscriptions to ASX	7 May 2013
Allotment of new Shares	8 May 2013
Deferred settlement trading ends.	10 May 2013
Issuer statements/CHESS notices sent to Shareholders to confirm allotment of new Shares	10 May 2013
Trading of new Shares expected to commence on ASX	13 May 2013

The timetable is indicative only and is subject to change. Subject to the ASX Listing Rules, the Directors of Southern Cross reserve the right to vary these dates, including the Closing Date, without prior notice.

Queries

If you have any questions regarding the Rights Issue or your eligibility to participate, please do not hesitate to contact the Company Secretary, Ms Evelyn Goh, on +61 2 9233 6022.

For and on behalf of
Southern Cross Exploration N L



Evelyn Goh
Company Secretary