



Southern Cross Exploration N.L.

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30 April 2012

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

Dear Madam

**QUARTERLY ACTIVITIES REPORT
FOR THE QUARTER ENDED 31 MARCH 2012
(ASX code - SXX)**

URANIUM - BIGRLYI URANIUM JOINT VENTURE (5%) - *NORTHERN TERRITORY, AUSTRALIA*

The Company's interest in the Bigrlyi Uranium Joint Venture, which is an advanced JORC-compliant mineral project, is classified in the accounts as "Investment in Joint Venture". The Bigrlyi Uranium Joint Venture Project comprises 10 granted exploration retention licenses and several applications within the Ngalia Basin, located approximately 350 km northwest of Alice Springs. The project has been subject to significant exploration activity since discovery in 1973. It has relatively high uranium grades (with vanadium credits) and good metallurgical recoveries.

Southern Cross acquired its initial interest as far back as 1981 in a purchase from the Commonwealth Atomic Energy Commission, which became a joint venture with a number of uranium pioneers of that era, like Central Pacific Minerals, Urangesellschaft, AGIP Nucleare and Offshore Oil N L et al.

In 2009 EME became a 60% subsidiary of one of the two largest Chinese nuclear power companies, China Guandong Nuclear Power Holding Co Ltd, which has 6 operating nuclear power plants, with a further 15 under construction. EME holds a 53.3% interest in Bigrlyi.. Paladin Energy Ltd (PDN) (through a subsidiary) holds 41.7% and Southern Cross holds a 5% interest.

Several drilling programmes have been completed at Bigrlyi since 2005, with most holes intersecting significant uranium mineralisation. Uranium and vanadium resource models were successively calculated incorporating results from these drilling programmes. An up-dated Resource Estimate was released by the Operator in June 2011, which showed a total Indicated and Inferred Mineral Resource - at 250ppm U₃O₈ cut off - of 27 million pounds of uranium (U₃O₈) and 30.8 million pounds of vanadium (V₂O₅).

The resources were estimated by consultants Hellman & Schofield Pty Ltd (H&S) using the Multiple Indicator Kriging (MIK) method to estimate uranium resources and Ordinary Kriging (OK) to estimate vanadium resources.

Exploration and development activities carried out on the Bigrlyi Project were designed to increase the resource base by targeting extensions of the mineralisation, along with obtaining core for further Metallurgical testing and Geotechnical evaluation. A pre-feasibility study was completed during 2011 and work is continuing towards the completion of the Bigrlyi Feasibility Study. The Operator has also advised that a further update of the Resource Estimate is planned to be completed shortly.

Further information on the Bigrlyi Uranium Joint Venture Project, including metallurgical testwork, resource estimates and economic studies, may be obtained from the website of the Operator, Energy Metals - www.energymetals.net.

URANIUM - MKUJU RIVER, TANZANIA (7%)

Southern Cross has given notice under the acquisition agreement that it would increase its interest in uranium exploration licences in Tanzania from 7% to 25% by the issue of 3 million shares. That transaction has not been settled and is awaiting completion of documentation.

The uranium tenements are situated in the highly prospective Mkuju River region of south-western Tanzania. They are underlain by Karoo Group sedimentary rocks in which uranium deposits of the sandstone-hosted tabular and roll front type have been discovered in South Africa, Malawi and Tanzania. The tenements are located north of Mantra Resources' Mkuju River Uranium Project. with Mineral Resources reported by Mantra of 101.4 million pounds of @ 422 ppm of U₃O₈. Last year, ARMZ, a wholly owned subsidiary of the Russian State Atomic Energy Corp., acquired all of the issued shares in Mantra for A\$7.00 cash, when it reduced its original offer of \$8 following the Japanese tsunami. This transaction imputed a value of A\$9.00 per pound for U₃O₈ for the Mkuju River uranium resources.

Southern Cross believes the Mkuju River tenements are prospective for the discovery of economic uranium deposits and proposes to invite other entities to participate in the exploration and development of these areas.

GOLD - PHILIPPINES

The Company is still awaiting the issue of permits to explore on the two gold projects in the Philippines. Delays have unfortunately been encountered in obtaining the grant of the licences. These matters are being addressed by the local joint venture interests.

- BATANGAS PROJECT (10%)

In June 2011, Southern Cross exercised an option to acquire an initial 5% in the Batangas Gold Project, located in the Province of Batangas, some 110 km south of Manila, Island of Luzon, in the Philippines. On 1 September 2011, Southern Cross acquired a further 5% of the project upon the issue of 6 million shares. The Company's wholly-owned subsidiary Northern Star Investments (Qld) Pty Ltd is the holding company for the group's interest in the Batangas Gold Project.

The Batangas Gold Project consists of an MPSA and an EP Application covering an area of approximately 3,300 ha. Final documentation is awaited for the approval of EPA 115, and the evaluation of the MPSA Application is continuing.

Nearby projects to the Batangas Gold Project include the Taysan porphyry copper-gold deposit (just 6 km northeast of the Batangas tenements) acquired in 2010 by Crazy Horse Resources Inc, a Vancouver-based company, which has reported a favourable scoping study and increased mineral resources. Also, Mindoro Resources Ltd (listed on TSX-V) controls an area of some 29,000 ha which is located between 10 and 20 km to southeast of Batangas and which has similar geology, where a high grade mineral resource (66,920 oz of gold grading ~6 g/t Au) has been defined.

The geology of the Batangas property is considered a highly prospective, major gold exploration opportunity. Subject to confirmatory mapping and sampling, it is likely that the Ulanin breccia stock-work and the American Vein area could provide early drilling targets with potential for developing open pit mining resources.

- GOLD CROSS PROJECT (20%)

Southern Cross continues to hold a 20% interest in the Gold Cross Gold Project in the Philippines. This project is located in the Province of Bulacan about 100 kms north-east of Manila, on the main island of Luzon. Southern Cross can acquire an additional interest in the Gold Cross Gold Project by exercising its rights to purchase the balance of 80% in several tranches.

COAL - NEW SOUTH WALES

In October 2011, Southern Cross announced that it had agreed to acquire a sixty five percent (65%) interest in a Coal Exploration Licence in central News South Wales. Following that announcement, a private company claimed a prior interest in the Licence, of which SXX was not aware, and commenced Court proceedings. Its claim was recently upheld. The Company is considering its position either to appeal that decision and/or it will seek to obtain at least a 30% interest in the Licence from the original Licence Holders.

MAGNESITE - IRAN

The company maintains its 10% interest in two private companies based in Iran. Several exploration tenements with identified outcropping dolomite/magnesite deposits are held. Cheap power is available, which is vital for commercially successful magnesite and magnesium production. This project is being kept under review.

OIL & GAS & ENERGY

Oil and gas exploration opportunities in Australia and overseas have been examined, with a view to direct participation.

Southern Cross retains an indirect interest in Oil and Gas exploration through its substantial shareholding in Longreach Oil Ltd (LGO), an ASX-listed company. LGO has a direct 50% interest in Petroleum Lease 280 in the Surat Basin, Queensland and also holds an 11% interest in three exploration permits in Western Australia.

Southern Cross is participating in the promotion of an Oil and Gas Exploration and Investment company, Offshore Oil Ltd, which intends to acquire equity interests in Australian and overseas oil companies and to acquire direct interests in Oil and Gas and Energy joint ventures.

GENERAL

The Company is always open to examine opportunities for exploration, mining or investment projects in Australia and overseas, which could be joint ventured with other entities.

EXPENDITURE

Expenditure for the quarter amounted to \$44,000.

For and on behalf of

Southern Cross Exploration N L

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Secretary

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