Southern Cross Goldfields Ltd (ASX: SXG) is pleased to release the attached presentation to investors titled “Debt and Equity package to leave SXG fully funded for development”.

- ENDS -

For further details, please contact
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Refer to www.scross.com.au
Debt and Equity package to leave SXG fully funded for development

- New cornerstone investor, TrailStone Group, backing SXG management team
- A$60M development funding package secured
- A$6 million capital raise in progress. A$3 million already committed
- Existing high value projects ready for rapid development. Production inside 12 months
- Poised to seize market opportunities, drive accelerated growth
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Established team with a track record in project success, growing companies and generating and crystallizing value

<table>
<thead>
<tr>
<th>Name</th>
<th>Role</th>
<th>Experience</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jon Parker</td>
<td>Non executive Chairman</td>
<td>Held executive &amp; senior management roles with Rio Tinto for 26 years across multi commodities. Former Managing Director (MD) of Felix Resources Ltd growing from $17M to &gt;$500M over 4-year period. Former MD of Norton Gold Fields Limited. Former Non-Executive Director of Polymetals Mining Limited (PLY). Former Chairman of Anova Minerals Limited.</td>
</tr>
<tr>
<td>David Sproule</td>
<td>Technical Director</td>
<td>Founded PLY in 1993 having spent prior years building processing plants and associated technical infrastructure. Has developed many projects all meeting on time/on budget targets. MD of PLY until 12/2007 when he was appointed Chairman.</td>
</tr>
<tr>
<td>Frank Terranova</td>
<td>Managing Director &amp; CEO</td>
<td>Appointed MD &amp; CEO of Southern Cross in 09/2013 having been MD of Polymetals at the merger with SXG. Joined PLY in August 2012 with a mandate to grow the company. Prior to PLY, Frank was MD &amp; CEO with Allied Gold Mining PLC, where he played a major role in its successful growth and eventual +$500m acquisition by St Barbara. He has held executive roles with listed companies across various sectors and transacted across ASX, TSX and LSE markets.</td>
</tr>
<tr>
<td>Chris Bolger</td>
<td>Executive Exploration</td>
<td>Geologist with 30 years’ international experience in senior exploration and operational roles covering gold, tin and base metals. Was GM Exploration at PLY, previously GM Exploration &amp; Resource Development with Kasbah Resources.</td>
</tr>
<tr>
<td>David Kinsman</td>
<td>CFO</td>
<td>Chartered accountant with strong resources sector public company experience. Was CFO and Company Secretary of PLY, previously CEO and CFO of Innamincka Petroleum Ltd. Over 15 years’ prior experience in senior roles with international organizations including Chevron and Boeing.</td>
</tr>
</tbody>
</table>
Polymetals - private company
1993-2011
Capital contributed A$1.5M
Dividends generated > $26M
Successfully completed many
smaller development projects

Established project track record

Mt Boppy Gold Mine (2002-05)
- 67koz gold; $12.5M EBITDA
- 4 months to production
- cash operating cost = $383/oz

Nimbus Silver Mine (2004-07)
- 3.2Moz silver; $9.8M EBITDA
- 5 months to production
- cash operating cost = $6.54/oz

White Dam Gold Mine (2009-13)
- in excess of 140koz gold; $116M
  EBITDA
- 7 months to production
- cash operating cost = $600/oz

Hellyer Zinc Joint Venture (2006-08)
- 32kt zinc & 10kt lead in
  concentrate
- $10M EBITDA
- 5 months to production
- cash operating cost = $615/tonne

Polymetals IPO in 04/2011
- Raised A$7M
- Market cap of A$36M on listing

Merger 08/2013
PLUS:
new and existing shareholders
positioning SXG for:
- Funded accelerated growth
- Near term producer status
- Market re-rating

TRAILSTONE
New cornerstone investor - TrailStone Group

- TrailStone Group - a US$500 million fund, seeded by US$27 billion Riverstone Holdings LLC

- Created in 2013 to invest in mining and upstream oil & gas projects. Formed and run by former Deutsche Bank commodities team in London, New York, Sydney

- TrailStone to take a A$1-$2 million equity stake, plus warrants and will provide debt of A$60 million, including A$25 million gold loan

- Investment horizon 4-5 years minimum

- Working collaboratively with management to facilitate rapid growth

- Funding package will provide potential to take advantage of opportunities in the current market

- Provides shareholders with major leverage to growth
• A$60M of debt secured in two tranches:
  • $25 million gold loan
    • Upon concluding transaction, drawn down immediately, repayable as 33,000 ounces of gold over 22 months commencing one year from close of transaction.
    • SXG to receive additional revenue per ounce of gold delivered into the gold loan, equal to gold price at time of draw down, less A$1000
  • A$35M vanilla debt facility.
    • First draw down early 2015

• Based on current development plans of Mt Boppy and Marda projects, debt peaks at A$35M

• Equity raising strengthens balance sheet.
  • Minimum $6 million capital raise, with $3 million already committed (Includes $1 million from TrailStone Group)
  • Placement of shares at 1c/share, with one free option for each two shares issued. TrailStone will not receive attached options on their equity contribution
  • TrailStone to receive warrants which will provide cash injection of up to $17.5 million if exercised. Expiry end 2019. Conversion on same terms as options.
  • Post-placement, existing shareholders to be provided the opportunity to participate on similar terms
Equity Capital Structure

% of total

887M shares

- 71% Current*
- 29%

1.49B shares

- 7% Post $6 million placement, undiluted
- 24%
- 22%

3.1B shares

- 44% Fully diluted**
- 16%
- 26%
- 14%

* Current column excludes 207 million options
** Assuming share price of 3 cents per share. Options and warrants exercisable at prices higher than 3 cents are excluded
*** Assumes partial take up of capital raising

New Shareholders

Other previous existing shareholders ***

Board, management and related parties***

TrailStone Group

% of total

Current*

Post $6 million placement, undiluted

Fully diluted**
Two high return projects ready for development

- Low risk jurisdictions
- Rapid development schedule - Mt Boppy/Canbelego project in production in 2015.
- Pipeline provides potential +six years of production at average ~ 40,000 ozpa
- Highly attractive project NPV
- Solid base for accelerated cash flow and growth profile
# Mt Boppy - generating cash within 12 months

## Mt Boppy Gold Project – 100%

<table>
<thead>
<tr>
<th>Location</th>
<th>Canbelego, 46km east of Cobar, NSW</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resource</td>
<td>102koz Au at 4.1 g/t</td>
</tr>
<tr>
<td>Reserve</td>
<td>76koz Au at 4.3 g/t</td>
</tr>
<tr>
<td>Production</td>
<td>64koz+ over 2 year mine life</td>
</tr>
<tr>
<td></td>
<td>Simple open cut operation with conventional CIL processing</td>
</tr>
<tr>
<td>Status</td>
<td>Feasibility Study completed</td>
</tr>
<tr>
<td>Development Cost</td>
<td>~A$26M</td>
</tr>
<tr>
<td>Production Cost /oz</td>
<td>Cash Cost ~ A600/oz</td>
</tr>
<tr>
<td></td>
<td>Total ~ A$1000/oz</td>
</tr>
<tr>
<td>Development time</td>
<td>Less than 12 months to first gold in 2015. In-situ process plant to be refurbished. Mine previously operated 2002-2005 by SXG management team</td>
</tr>
</tbody>
</table>
Mt Boppy - a fast-track to cash flow

- Mt Boppy has been operated in the past by the current management team
  - Confidence in technical assumptions by proven historical performance and experience.
  - Plant on care and maintenance since 2005
- A rapid path to cash flow
  - Substantial project infrastructure already available and few lead time items
  - Production can commence within Qtr2 2015.
  - Close to services and suppliers in region.
  - Future toll milling potential in the region exists to further utilise the gold plant
- Low project complexity
  - Low operational risk – good grades, simple open cut mining, conventional process flow sheets
  - Current sector dynamics - excess capacity in mining services sector ensures tight cost management
### Marda/Sandstone Gold Project – 100%

<table>
<thead>
<tr>
<th><strong>Location</strong></th>
<th>400km north east of Perth, WA</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Marda Resource</strong></td>
<td>495koz Au at 1.9 g/t, with significant exploration upside potential</td>
</tr>
<tr>
<td><strong>Marda Reserve</strong></td>
<td>175koz Au at 2.3 g/t</td>
</tr>
<tr>
<td><strong>Production</strong></td>
<td>167koz over initial four years. Simple open cut operation with conventional CIL processing</td>
</tr>
<tr>
<td><strong>Status</strong></td>
<td>Feasibility Study completed</td>
</tr>
<tr>
<td><strong>Development Cost</strong></td>
<td>~A$32M</td>
</tr>
<tr>
<td><strong>Production Cost /oz</strong></td>
<td>Cash cost ~ A$800/oz, Total ~ A$1000/oz</td>
</tr>
<tr>
<td><strong>Sandstone Assets</strong></td>
<td>600ktpa CIL processing plant and 100 person camp to be relocated to Marda from Sandstone</td>
</tr>
<tr>
<td><strong>Development time</strong></td>
<td>Commence development in 2016, first gold 2017. Capital redeployed from Mt Boppy</td>
</tr>
</tbody>
</table>
Marda – attractive growth option

- Established resource, with significant growth potential
  - Immediate near term potential to increase gold inventory. More exploration activity pre-production may materially increase scale and project value
  - Regional consolidation potential exists thereby ensuring any infrastructure will maintain value
- Low project complexity
  - Good grades, simple open cut mining, conventional process flow sheets
  - SXG owns existing infrastructure and gold plant at Sandstone that can be relocated to Marda
  - Low risk jurisdiction
- Genuine leverage and enterprise option value
  - Based on current metrics, the ability to hold, explore, develop or sell provides option value for investors
  - Continues to be a sought after asset in the region
6 years averaging ~40,000 oz per annum

Projections based on STATED RESERVES ONLY. Further potential exists in Resource development and conversion.
• Access to capital will provide multiple strategic options
• S&P/ASX Small Resources Index has fallen almost 70% since peak in Jan 2011

Poised to seize market opportunities

• Resource and Reserve valuation multiples have fallen sharply over the past five years
• Excess capacity in mining services sector
• Outlook for commodity prices remains robust in medium term

<table>
<thead>
<tr>
<th>Mines Online Transaction Metrics</th>
<th>Resource Multiple (US$/oz)</th>
<th>Reserve Multiple (US$/oz)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average valuation for development projects over the past year</td>
<td>22</td>
<td>41</td>
</tr>
<tr>
<td>Over the past three years</td>
<td>37</td>
<td>63</td>
</tr>
<tr>
<td>Over the past five years</td>
<td>45</td>
<td>76</td>
</tr>
<tr>
<td>Average valuation for producing projects over the past year</td>
<td>49</td>
<td>97</td>
</tr>
<tr>
<td>Over the past three years</td>
<td>72</td>
<td>183</td>
</tr>
<tr>
<td>Over the past five years</td>
<td>64</td>
<td>190</td>
</tr>
</tbody>
</table>
Rigorous and disciplined investment focus

- Key criteria – SXG will assess projects where it can add value, through efficient acquisition, proven quality technical project execution, and now supplemented by improved certainty of funding

- Focus on precious metals, base metals, specialty metals, ex bulks

- Preference to avoid high sovereign risk environments

- Preferred projects within 2-3 years of production, with established resource and reserve

- Mid-market focus, modest capex requirement

- Diversification important - pipeline of projects at different stages: development, construction or production
Be part of mid-market development leader

• New cornerstone investor, TrailStone Group, backing successful management team

• Existing high value projects ready for rapid development

• Poised to seize market opportunities, drive accelerated growth

• Value centric and disciplined focus to maximise shareholder returns

Valuation re-rating triggers:
• Funding package secured
• Low risk transition to producer status within 1 year
• Strategic capability to seize market opportunities
• Shareholders leveraged to growth in a de-risked manner.
The information in this presentation that relates to Mineral Resources and Ore Reserves is extracted from previous market announcements as listed below.

**Canbelego**
- Competent Person (Mineral Resources) – Troy Lowien
- Competent Persons (Ore Reserves) – Andrew Lawry & Sean Buxton

**Marda**
- Competent Person (Mineral Resources) – Richard Simmons
- Competent Person (Ore Reserves) – Denis Grubic

**Sandstone**
- Unchanged since acquisition from Troy Resources Limited (ASX:TRY) in 2012
- Competent Person (Mineral Resources) – David Otterman

The information in this presentation that relates to production target and forecast financial information is extracted from previous market announcements as listed below.

**Mt Boppy Gold Project**

**Marda Gold Project**

The company confirms that all material assumptions underpinning the production targets, and forecast financial information derived from the production targets, in the relevant market announcements shown above continue to apply and have not materially changed..
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### Gold Mineral Resources

<table>
<thead>
<tr>
<th></th>
<th>Measured</th>
<th></th>
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<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>kt</td>
<td>g/t Au</td>
<td>koz</td>
<td>kt</td>
<td>g/t Au</td>
<td>koz</td>
<td>kt</td>
<td>g/t Au</td>
<td>koz</td>
<td>kt</td>
<td>g/t Au</td>
<td>koz</td>
</tr>
<tr>
<td>Canbelego (1)</td>
<td>39</td>
<td>6.4</td>
<td>8</td>
<td>646</td>
<td>4.0</td>
<td>84</td>
<td>82</td>
<td>3.6</td>
<td>9</td>
<td>766</td>
<td>4.1</td>
<td>102</td>
</tr>
<tr>
<td>Marda (2)</td>
<td>2,796</td>
<td>2.3</td>
<td>203</td>
<td>2,640</td>
<td>1.8</td>
<td>154</td>
<td>2,529</td>
<td>1.7</td>
<td>136</td>
<td>7,964</td>
<td>1.9</td>
<td>495</td>
</tr>
<tr>
<td>Sandstone (3)</td>
<td>1,932</td>
<td>2.3</td>
<td>144</td>
<td>12,586</td>
<td>1.4</td>
<td>573</td>
<td>14,518</td>
<td>1.5</td>
<td>718</td>
<td>23,249</td>
<td>1.8</td>
<td>1,315</td>
</tr>
<tr>
<td>Total</td>
<td>2,834</td>
<td>2.3</td>
<td>211</td>
<td>5,218</td>
<td>2.3</td>
<td>383</td>
<td>15,197</td>
<td>1.5</td>
<td>719</td>
<td>23,249</td>
<td>1.8</td>
<td>1,315</td>
</tr>
</tbody>
</table>

(1) Mt Boppy; 2.5g/t cut-off; Boppy Sth: 1.0g/t cut-off
(2) Marda: 1.0g/t cut off.
(3) Sourced from the Troy Resources Limited 2011 Annual Report – currently undertaking divestment

### Gold Ore Reserves

<table>
<thead>
<tr>
<th></th>
<th>Proved</th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>kt</td>
<td>g/t Au</td>
<td>koz</td>
<td>kt</td>
<td>g/t Au</td>
<td>koz</td>
<td>kt</td>
<td>g/t Au</td>
<td>koz</td>
<td>kt</td>
<td>g/t Au</td>
<td>koz</td>
</tr>
<tr>
<td>Canbelego</td>
<td>42</td>
<td>5.6</td>
<td>8</td>
<td>507</td>
<td>4.2</td>
<td>68</td>
<td>549</td>
<td>4.3</td>
<td>76</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Marda</td>
<td>1,715</td>
<td>2.4</td>
<td>130</td>
<td>660</td>
<td>2.1</td>
<td>46</td>
<td>2,375</td>
<td>2.3</td>
<td>175</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1,757</td>
<td>2.4</td>
<td>138</td>
<td>1,167</td>
<td>3.0</td>
<td>114</td>
<td>2,924</td>
<td>2.7</td>
<td>251</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Modern exploration techniques and new exploration models can generate new drilling targets

Proven gold jurisdiction. Significant greenfield potential to complement the existing SXG gold inventory

Current and future consolidation opportunities position the Marda project well for sustainable production growth

Numerous exploration targets, limited only by capital

Undeveloped economic grade resources located within 250km will have a processing opportunity at SXG plant. Combined total >250koz resources within 70km trucking distance

SXG processing facility will encourage gold exploration activity in the region, especially by those who already have a proven Resource

Real potential to toll treat other ore through Marda
Marda: Growth through exploration

- Other greenstone belts have all yielded deposits/deposit clusters >1M oz gold
- Historically very fragmented regional ownership of exploration leases
- Interest in the area is increasing but junior projects have lacked access to a plant
- SXG recognition of surface cover means previously ignored areas are highly prospective
- SXG focused on Evanston Shear via cost effective soil geochemical sampling
- 4 walk-up RAB targets have government approved work programs in place
- Additional targets identified as possible extensions of existing deposits
- 18km of 30 km long shear not yet tested
- Marda hosts several different deposit types indicating strong potential for further discovery