



Southern Cross Exploration N.L.

A.C.N. 000 716 012

82 ELIZABETH STREET, SYDNEY - TELEPHONE: 9233 6022 - FAX: 9233 6475
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PLEASE ADDRESS ALL CORRESPONDENCE TO GPO BOX 4246 SYDNEY NSW 2001

30 July 2010

e-Lodgement

FOR PUBLIC RELEASE

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

Dear Madam

Re Quarterly Reports

The Company's Quarterly Activities Report and Appendix 5B - Consolidated Statement of Cash Flows for the quarter ended 30 June 2010 are attached.

For and on behalf of

Southern Cross Exploration N L

E Goh
Secretary

-ks/956.108.1



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Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

Dear Madam

**QUARTERLY ACTIVITIES REPORT
FOR THE QUARTER ENDED 30 JUNE 2010
(ASX code - SXX)**

URANIUM - BIGRLYI URANIUM JOINT VENTURE - *NORTHERN TERRITORY, AUSTRALIA*

The Bigrlyi Uranium Joint Venture Project is located in the Ngalia Basin, approximately 390 km northwest of Alice Springs, in the Northern Territory. The project is characterised by relatively high uranium and vanadium grades and excellent metallurgical recoveries. Southern Cross has participated in the Bigrlyi Uranium Joint Venture for many years.

The Bigrlyi Uranium Joint Venture Project consists of 10 granted exploration retention licenses. The project has been subject to significant exploration activity since discovery in 1983, including over 850 drillholes, metallurgical testwork and mining studies.

The following statement is reproduced *verbatim* from the Energy Metal Limited's Quarterly Report for June 2010

" Activites (June 2010 Quarter)

Geochemical assay results from 9 large diameter core holes completed in December 2009 were received during the period. Significant intercepts were recorded from the A4 deposit including 1.7m @ 3.75% U₃O₈ (+0.68% V₂O₅) and 4.5m @ 2.32% U₃O₈ (+1.41% V₂O₅). Please refer to Table 1 for further details.

In July 2010 independent consultants Hellman & Schofield Pty Ltd ("H&S") completed resource estimates for Bigrlyi incorporating the results of all drilling up until the commencement of the 2010 field season. The resources were estimated at various cut-off grades using the Multiple Indicator Kriging (MIK) method to estimate uranium resources and Ordinary Kriging (OK) to estimate vanadium resources.

At a cut-off grade of 500ppm U₃O₈ the Bigrlyi resource totals 22.4 million pounds (Mlb) of U₃O₈ and 24.7 Mlb of V₂O₅, with 60% of the contained uranium metal (or 6,100t U₃O₈) now reporting to the Indicated Resource category, compared with 55% in the last (July 2009) MIK resource estimate.

Indicated and Inferred Mineral Resources at 500ppm U3O8 cut off

Resource Category	Tonnes (Millions)	U3O8 (ppm)	V2O5 (ppm)	U3O8 (t)	V2O5 (t)	U3O8 (Mlb)	V2O5 (Mlb)
Indicated	4.7	1,316	1,426	6,100	6,600	13.5	14.6
Inferred	3.4	1,202	1,369	4,000	4,600	8.9	10.1
Total	8.0	1,268	1,402	10,200	11,200	22.4	24.7

Tonnes are metric (2,204.62 pounds); figures may not total due to rounding.

URANIUM - BIGRLYI URANIUM JOINT VENTURE - NORTHERN TERRITORY, AUSTRALIA

Interpretation of the infill drilling has resulted in greater confidence in the geological model with the mineralised zones now better constrained. This has resulted in a reduction in both tonnes and contained metal reporting to the Inferred Resource category compared with the July 2009 estimate, with a small (2%) net decrease in total uranium resources overall. Resource estimates at various cut-off grades are summarised in Table 2.

Unseasonal heavy rainfall during the period restricted access to Bigrlyi and surrounding areas and delayed field activities scheduled to commence in the June quarter. A drilling program targeting mineralised positions defined late 2009 and potential extensions to the previously defined scoped pits commenced mid July 2010.

Air quality monitoring equipment was installed on site and initial flora and fauna surveys and desktop soil, ground water and surface water studies were completed in the period, with metallurgical testwork ongoing.

Initial testwork to investigate the feasibility of applying Continuous Vat leaching (CVL) to process Bigrlyi ore was completed during the period. The testwork comprised "Dry Attack, MnO₂ oxidation" (24 hours) followed by standard roll tests at 4 fractions ranging from coarse (-6.3+3.35mm) to very fine (-0.075mm). Results were very encouraging with >70% uranium metal recovery achieved after 48 hours of bottle roll tests across all size fractions, with moderate vanadium recoveries also achieved. There was strong correlation between the size fraction and the leaching rate, especially for vanadium, with only minor fragmentation of particles during the bottle roll tests. Pulsed column leach test using a larger sample to confirm the economic viability of the CVL process is now underway.

Sample blending for the heap leach testwork has been completed and sighter tests for the reverse flotation testwork are underway.

TABLE 1 – SIGNIFICANT INTERCEPTS FROM A4 (BIGRLYI)

Hole Number	From (m)	Intercept (m)	U ₃ O ₈ (%)	V ₂ O ₅ (%)
B09066	135.5	1.6	0.61	0.92
	139.7	2.3	1.22	2.03
	142.8	1.9	0.60	1.14
B09066W1	172.7	6.8	0.42	1.94
B09067	130.2	1.0	0.25	1.66
B09068	173.6	4.5	0.49	2.11
B09069	107.1	1.0	0.14	0.05
	109.1	0.4	1.01	0.21
	112.0	0.4	5.88	0.52
B09069W1	97.8	0.5	0.77	0.16
	107.4	0.4	0.59	0.21
	108.7	0.5	0.51	0.21
	109.6	0.9	0.72	0.18
	111.6	1.7	3.75	0.68
B09070	59.6	0.9	0.59	0.16
	64.4	0.9	0.76	0.27
	67.9	0.9	0.65	0.25
B09070W1	59.2	1.1	0.36	0.10
	69.5	0.5	0.60	0.27
B06003	167.6	1.0	0.60	0.36
	175.5	2.0	0.23	0.74
	180.5	1.5	0.20	0.47

URANIUM - BIGRLYI URANIUM JOINT VENTURE - *NORTHERN TERRITORY, AUSTRALIA*

TABLE 2 – SUMMARY OF BIGRLYI RESOURCES

Indicated and Inferred Mineral Resources at 250ppm U3O8 cut off

Resource Category	Tonnes (Millions)	U3O8 (ppm)	V2O5 (ppm)	U3O8 (t)	V2O5 (t)	U3O8 (Mlb)	V2O5 (Mlb)
Indicated	9.1	847	1,083	7,700	9,900	17.0	21.8
Inferred	7.1	753	960	5,400	6,800	11.8	15.0
Total	16.2	807	1,031	13,100	16,700	28.8	36.8

Indicated and Inferred Mineral Resources at 500ppm U3O8 cut off

Resource Category	Tonnes (Millions)	U3O8 (ppm)	V2O5 (ppm)	U3O8 (t)	V2O5 (t)	U3O8 (Mlb)	V2O5 (Mlb)
Indicated	4.7	1,316	1,426	6,100	6,600	13.5	14.6
Inferred	3.4	1,202	1,369	4,000	4,600	8.9	10.1
Total	8.0	1,268	1,402	10,200	11,200	22.4	24.7

Indicated and Inferred Mineral Resources at 1,000ppm U3O8 cut off

Resource Category	Tonnes (Millions)	U3O8 (ppm)	V2O5 (ppm)	U3O8 (t)	V2O5 (t)	U3O8 (Mlb)	V2O5 (Mlb)
Indicated	2.0	2,114	1,965	4,200	3,900	9.3	8.7
Inferred	1.4	1,899	2,102	2,600	2,900	5.8	6.4
Total	3.4	2,027	2,020	6,900	6,800	15.1	15.1

Tonnes are metric (2204.62 pounds); figures may not total due to rounding.

The resource estimates were jointly compiled by Energy Metals and H&S. Energy Metals completed digital data compilation, validation, QA/QC and geological interpretations. H&S completed independent resource estimates, as well as providing advice on modelling methods, geostatistics and wireframe modelling of the mineralisation domains.

The resource estimates are based on the interpretation of 459 historic drill holes (222 percussion and 237 pre-collared diamond holes) and 473 holes (371 percussion and 102 pre-collared diamond holes) drilled by Energy Metals between October 2006 and December 2009. Drill holes are spaced at between 20-50m along strike in the main resource areas of Anomalies 15, 4 and 2. This increases to a nominal 100m at Anomaly 3 and 200-400m in peripheral areas. Assays were derived from predominantly chemical methods (XRF) in all holes drilled by Energy Metals, and re-assayed historic diamond holes. Calibrated radiometric assay methods were used in historic percussion holes.

Wire frame models were digitized on north-south cross sections using an approximate 100ppm (U₃O₈) and an approximate 500ppm (V₂O₅) boundary to model multiple mineralised lenses outcropping at surface. The lenses generally occur within mineralised horizons within the Mt Eclipse Sandstone. The two major horizons are located at the contacts of the Units B and C and Units C and D. Additional horizons at Anomalies 4 and 15 are seen within Units D and B. The mineralised lenses are generally narrow (true width 2-5m) and strike east-west. The mineralised lenses are sub vertical and predominantly dip south at 70-88 degrees. The modeled block dimensions are 15m along strike, 15m down dip and 2m width. These have been chosen to best reflect the geometry of the mineralisation.

Notes:

Information in this report relating to mineral resources reflects information compiled by Mr Arnold van der Heyden BSc, MAusIMM. Mr van der Heyden is a full time employee of H&S and has more than five years relevant experience in estimation of mineral resources and the mineral commodity uranium and is a Competent Person as defined in the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves – The JORC Code (2004)". Mr van der Heyden consents to the inclusion of the information in the report in the form and context in which it appears.

Information in this report relating to exploration results, data and cut off grades is based on information compiled by Mr Lindsay Dudfield, MAusIMM, MAIG and Mr Paul Dunbar, MAusIMM, MAIG. Mr Dudfield is a consultant to Energy Metals and Mr Dunbar is a full time employee of Energy Metals. Both Mr Dudfield and Mr Dunbar have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves – The JORC Code (2004)". Mr Dudfield and Mr Dunbar consent to the inclusion of the information in the report in the form and context in which it appears.

URANIUM - BIGRLYI URANIUM JOINT VENTURE - NORTHERN TERRITORY, AUSTRALIA

* Uranium mineralisation grades through this report are annotated with a sub-prefix 'e' because they have been reported as uranium equivalent grades derived from down-hole gamma ray logging results and should be regarded as approximations only. Gamma logging or "total count gamma logging" (the method used by Energy Metals) is a common method used to estimate uranium grade where the radiation contribution from thorium and potassium is very small. Sandstone and calcrete hosted deposits are usually of this type. Gamma logging does not account for energy derived from thorium and potassium (as does spectral gamma logging) and thus the result is expressed as an equivalent value or eU₃O₈.

The gamma radiation from potassium, uranium and thorium is dominated by gamma rays at specific energy levels. These energy levels are sufficiently well separated such that they can be measured independently of each other. They are typically measured as narrow energy bands that contain the specific energy levels. Bands are used because the measuring systems do not have the resolution to target a specific energy wavelength. There is some scattering of higher energy gamma radiation, e.g. thorium, into lower energy radiation, e.g. uranium and potassium. This scattered radiation can be calculated from suitable calibration procedures and removed from the lower energy level measurements. This method is commonly termed spectral gamma logging.

Energy Metals uses gamma probes which are initially calibrated at the PIRSA (Primary Industry & Resources South Australia) test pits and then subjected to annual recalibration to ensure the integrity of the probe instrument. Furthermore, Energy Metals runs regular checks to validate the accuracy of probe data using calibrated test holes located on site".

Further information on the Bigrlyi Uranium Joint Venture Project may be obtained from the website of the Operator, Energy Metals Ltd (EME) - www.energymetals.net.

As previously advised, SXX maintains it is entitled to a 5.0% interest in Bigrlyi. There has been some uncertainty regarding the Company's interest due to a purported dilution from 5.0% to 4.2%. The issue has been agreed to be settled. Pending that settlement, the Operator Energy Metals Ltd (EME) has continued to show the Company's interest in the project at 4.2%, even though the Operator's recent cash calls have been made, and have been paid, on the basis of a 5% interest in the project being held by Southern Cross.

Upon completion of the agreed settlement, the respective interests in the Bigrlyi Uranium Joint Venture will be:

Energy Metals Limited (Operator)	53.3%
Valhalla Uranium Ltd	41.7 %
Southern Cross Exploration N L	5.0 %

URANIUM - BURKINA FASO, WEST AFRICA

Southern Cross has an interest in two Exploration Permits for uranium, located in north-eastern Burkina Faso. The tenements cover an area of 500 sq km and embrace a major unconformity structure considered to be prospective for uranium deposits.

Current interests in the consortium of companies formed to carry out exploration on the permits are: Southern Cross (original applicant) - 45%; Longreach Oil Ltd - 20% and CrossContinental Uranium Limited - 35%. CrossContinental, a Canadian company jointly-owned by ASX-listed Crossland Uranium Mines Limited (CUX) and Toronto-listed Pancontinental Uranium Corp (PUC) may fund exploration to earn an interest of 50%.

No field operations were carried out during this quarter.

GOLD - PHILIPPINES

The Company holds a 20% interest in the old gold mining area known as the Gold Cross Gold Project. This project is located about 100 km north-east of Manila, on the main island of Luzon. The area is considered to have potential for large gold resources.

The Company understands that the Philippines Department of Energy and Natural Resources has advised on a consolidation of the applications for four Mineral Production Sharing Agreements and that action is being taken to complete the licensing process in order that exploration may be undertaken.

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.

MAGNESITE - IRAN

The company has a 10% interest in two companies based in Iran which hold several exploration tenements with identified outcropping dolomite/magnesite deposits. Access to cheap power, which is available at the gate of one of the tenements, is critical 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 are being evaluated on a continuing basis. The Company holds strategic investments in two ASX-listed entities - Longreach Oil Ltd (LGO) and Chapmans Ltd (CHP).

Longreach Oil is concentrating on oil, gas and coal exploration and has a direct interest ranging from 9.35% to 50% in prospective oil/gas areas in Queensland and Western Australia. It indirectly holds a substantial shareholding in unlisted Brisbane Petroleum Ltd which has two Petroleum Leases with some oil production in the Surat Basin and also has a significant interest in ASX-listed AusTex Oil Ltd (AOK), which has oil and gas producing leases in Oklahoma and Kansas, USA.

Chapmans has been operating in investment projects, provision of venture capital and general investment. CHP also has a subsidiary company, Hallmark Minerals N L in which it holds about 70% and in which Southern Cross has a 20% shareholding. Hallmark Minerals has recently been re-activated and has invested in a coal mining project in Kalimantan, Indonesia and is also seeking to participate in other mineral exploration and development projects.

Offshore Oil Ltd is being promoted jointly by Southern Cross and Longreach Oil Ltd as a new Oil and Gas Exploration and Investment company, which has a target capital raising of \$250,000,000. Shareholders in Southern Cross will receive priority entitlement in due course.

GENERAL

Southern Cross continues to seek prospective exploration and/or mining projects in Australia and overseas.

EXPENDITURE

Expenditure for the quarter amounted to \$33,000.

For and on behalf of

Southern Cross Exploration N L

E Goh
Secretary

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

SOUTHERN CROSS EXPLORATION NL

ABN

70 000 716 012

Quarter ended ("current quarter")

30 June 2010

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (.....6 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(33)	(101)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received		
1.5 Interest and other costs of finance paid	(26)	(47)
Income taxes paid		
1.7 Other (Legal and prepayments)	(58)	(245)
	(117)	(393)
Net Operating Cash Flows		
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	(7)	(95)
1.9 Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets	-	8
1.10 Loans to other entities	(4)	(4)
1.11 Loans repaid by other entities	-	3
1.12 Birglyi Uranium Joint Venture Project	-	(31)
	(11)	(119)
Net investing cash flows		
1.13 Total operating and investing cash flows (carried forward)	(128)	(512)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(128)	(512)
	Cash flows related to financing activities		
1.14	Proceeds from calls on partly paid shares/redemptions of forfeited shares.	4	945
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings	116	488
1.17	Repayment of borrowings	(151)	(478)
1.18	Dividends paid		
1.19	Other (Repayment of creditors)	-	(445)
	Net financing cash flows	(31)	510
	Net increase (decrease) in cash held	(159)	(2)
1.20	Cash at beginning of quarter/year to date	162	5
1.21	Exchange rate adjustments to item 1.20		
		3	3
1.22	Cash at end of quarter		

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	8
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

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Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities-Bank Overdraft	1,000	1,000
3.2 Credit standby arrangements		
3.3 Investments in listed companies - Available for sale in excess of	500	

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	100
4.2 Development	
4.3 Production	
4.4 Administration	80
Total	180

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	3	152
5.2 Deposits at call		
5.3 Bank overdraft		10
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	3	162

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed				
6.2 Interests in mining tenements acquired or increased				

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference + securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary FP securities Forfeited	103,256,514	103,256,514		
7.4 Changes during quarter (a) Increases through redemptions of forfeited shares	12,743,486			
7.5 +Convertible debt securities <i>(description)</i>	174,500			
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Compliance statement

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
2. This statement does ~~does not~~* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: Date: 30 July 2010
(Company secretary)

Print name: Evelyn Goh

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
3. **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
4. The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
5. **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.