

## Southern Cross Gold Ltd

### Leading the renaissance in the Victorian Goldfields

Southern Cross Gold Ltd (ASX:SXG) is an ASX-listed gold and critical metals company with three projects in the Victorian goldfields and one in Mt Isa, Queensland. The company's flagship project Sunday Creek is an epizonal gold-antimony deposit with antimony a critical metal used across the semi-conductor, defence and energy sector, in particular in lithium ion battery production. SXG listed on the ASX in May 2022 after raising \$9.093mn at \$0.20/share in an initial public offering to give a market capitalisation at listing of \$31.25mn. The company was a spin-out from Toronto Stock Exchange-listed Mawson Gold (TSX:MAW) which remains the largest shareholder with 50.98%. The company has subsequently raised an additional \$16mn before costs at an issue price of \$0.58/share through a placement with institutional and sophisticated investors. The company is currently focused on drilling the Sunday Creek Project in Victoria where multiple holes have now intersected high-grade veins. The current drilling programme is targeted to expand the known mineralisation at Sunday Creek along strike and at depth below historic mining areas from the 1880s.

### Portfolio description

Southern Cross Gold is an exploration stage company with a focus on gold exploration in Australia. The company has four projects: Sunday Creek, Redcastle, Whroo, and Mt Isa. The 100%-owned **Sunday Creek Project** is a shallow orogenic Fosterville-style deposit located approximately 60km north of Melbourne and contained within 19,365ha of both granted exploration licenses and one granted retention license. SXG owns 132.6ha of freehold land around the current drill area at Sunday Creek. The company owns 70% of the **Redcastle Project** which comprises three granted exploration licences and is located in central Victoria 120kms north of Melbourne and 45kms east of Bendigo. The 14-kilometre long **Whroo** project is located 130kms north of Melbourne and is one of the largest historic epizonal goldfields in Victoria. Southern Cross Gold can earn up to 70% of the project which comprises six exploration licences and one granted retention licence. SXG also holds seven exploration prospecting licenses for 861km<sup>2</sup> of granted licenses in south east **Mt Isa**. Additionally, the company is the largest shareholder of ASX-listed Nagambie Resources with a 10% holding, giving it a right of first refusal over 3,300kms held by Nagambie across central to northern Victoria.

### Current drilling programme is expanding Sunday Creek's potential

The company's focus currently is on Sunday Creek which diamond drilling thus far has yielded results including: 305.8m at 2.4g/t AuEq; 119.2m at 3.9g/t AuEq including 64m at 3.0g/t AuEq and 39m at 6.8g/t AuEq; and 21.5m at 15.0g/t AuEq including 2.1m at 121.6g/t AuEq. The company considers Sunday Creek to be one of the best exploration discoveries to come out of Victoria in recent times with 21 holes with greater than 100g/t AuEq intersected so far.

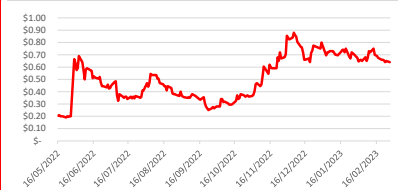
### Continual news flow expected for remainder of 2023

Southern Cross Gold anticipates continual news flow from Sunday Creek for the remainder of 2023 as 30,000km of additional exploration and expansion drilling takes place and the holes are geologically processed and analysed. It is important to remember that only 800m along strike has been drilled to date. For the remainder of the year, resource and expansion drilling is expected along Apollo at the most easterly end of Sunday Creek, at Rising Sun and Golden Dyke. In tandem the company will undertake soil sampling at both Redcastle and Whroo and for drilling to commence at Redcastle by mid-year. A supportive outlook for gold prices will likely underpin SXG's share price in the near term.

#### Share Details

ASX code	SXG
Share price (24-Feb)	\$0.65
Market capitalisation	\$119.5M
Number of shares	183.8M
Total unlisted options on issue	18.3M
Net cash at 30-Nov-2022	\$17.9M

#### Share Price Performance (Since listing)



#### Upside Case

- Sunday Creek emerges as a 'Fosterville'-style deposit
- Controls three of Victoria's nine epizonal historic goldfields
- Antimony delivers exposure to critical metals markets

#### Downside Case

- Still in exploration stage with no guarantee of drill success
- Additional capital likely to fund drilling programmes
- Potential overhang from largest shareholder

#### Catalysts

- Additional drilling success at Sunday Creek
- Additional drilling at Whroo and Redcastle
- Rising gold price lifting sector sentiment

#### Comparative Companies (Australia & NZ)

FAL, BRB, AUC

#### Company Contact

Nicholas Mead (IR) +61 415 153 122

info@southerncrossgold.com.au

#### RaaS Contacts

Andrew Williams +61 417 880 680  
andrew.williams@raasgroup.com

Finola Burke +61 414 354 712  
finola.burke@raasgroup.com

# FINANCIAL SERVICES GUIDE

RaaS Advisory Pty Ltd

ABN 99 614 783 363

Corporate Authorised Representative, number 1248415

of

BR SECURITIES AUSTRALIA PTY LTD

ABN 92 168 734 530

AFSL 456663

Effective Date: 6<sup>th</sup> May 2021

### About Us

BR Securities Australia Pty Ltd (BR) is the holder of Australian Financial Services License ("AFSL") number 456663. RaaS Advisory Pty Ltd (RaaS) is an Authorised Representative (number 1248415) of BR.

This Financial Service Guide (FSG) is designed to assist you in deciding whether to use RaaS's services and includes such things as

- **who we are**
- **our services**
- **how we transact with you**
- **how we are paid, and**
- **complaint processes**

Contact Details, BR and RaaS

BR Head Office: Suite 5GB, Level 5, 33 Queen Street, Brisbane, QLD, 4000

RaaS. 20 Halls Road Arcadia, NSW 2159

P: +61 414 354712

E: [finola.burke@raasgroup.com](mailto:finola.burke@raasgroup.com)

RaaS is the entity providing the authorised AFSL services to you as a retail or wholesale client.

**What Financial Services are we authorised to provide?** RaaS is authorised to

- **provide general advice to retail and wholesale clients in relation to**
  - **Securities**
- **deal on behalf of retail and wholesale clients in relation to**
  - **Securities**

The distribution of this FSG by RaaS is authorized by BR.

### Our general advice service

Please note that any advice given by RaaS is general advice, as the information or advice given will not take into account your particular objectives, financial situation or needs. You should, before acting on the advice, consider the appropriateness of the advice, having regard to your objectives, financial situation and needs. If our advice relates to the acquisition, or possible acquisition, of a particular financial product you should read any relevant Prospectus, Product Disclosure Statement or like instrument. As we only provide general advice we will not be providing a Statement of Advice. We will provide you with recommendations on securities

### Our dealing service

RaaS can arrange for you to invest in securities issued under a prospectus by firstly sending you the offer document and then assisting you fill out the application form if needed.

### How are we paid?

RaaS earns fees for producing research reports. Sometimes these fees are from companies for producing research reports and/or a financial model. When the fee is derived from a company, this is clearly highlighted on the front page of the report and in the disclaimers and disclosures section of the report.

We may also receive a fee for our dealing service, from the company issuing the securities.

### Associations and Relationships

BR, RaaS, its directors and related parties have no associations or relationships with any product issuers other than when advising retail clients to invest in managed funds when the managers of these funds may also be clients of BR. RaaS's representatives may from time to time deal in or otherwise have a financial interest in financial products recommended to you but any material ownership will be disclosed to you when relevant advice is provided.

### Complaints

If you have a complaint about our service you should contact your representative and tell them about your complaint. The representative will follow BR's internal dispute resolution policy, which includes sending you a copy of the policy when required to. If you aren't satisfied with an outcome, you may contact AFCA, see below.

BR is a member of the Australian Financial Complaints Authority (AFCA). AFCA provide fair and independent financial services complaint resolution that is free to consumers.

Website: [www.afca.org.au](http://www.afca.org.au); Email: [info@afca.org.au](mailto:info@afca.org.au); Telephone: 1800931678 (free call)

In writing to: Australian Financial Complaints Authority, GPO Box 3, Melbourne, VIC, 3001.

### Professional Indemnity Insurance

BR has in place Professional Indemnity Insurance which satisfies the requirements for compensation under s912B of the Corporations Act and that covers our authorized representatives.

#### DISCLAIMERS and DISCLOSURES

This report has been prepared and issued by RaaS Advisory Pty Ltd. RaaS Advisory's principals, employees and associates may hold shares in companies that are covered and, if so, this will be clearly stated on the front page of each report. This research is issued in Australia by RaaS Advisory and any access to it should be read in conjunction with the Financial Services Guide on the preceding two pages. All information used in the publication of this report has been compiled from publicly available sources that are believed to be reliable. Opinions contained in this report represent those of the principals of RaaS Advisory at the time of publication. RaaS Advisory provides this financial advice as an honest and reasonable opinion held at a point in time about an investment's risk profile and merit and the information is provided by the RaaS Advisory in good faith. The views of the adviser(s) do not necessarily reflect the views of the AFS Licensee. RaaS Advisory has no obligation to update the opinion unless RaaS Advisory is currently contracted to provide such an updated opinion. RaaS Advisory does not warrant the accuracy of any information it sources from others. All statements as to future matters are not guaranteed to be accurate and any statements as to past performance do not represent future performance.

Assessment of risk can be subjective. Portfolios of equity investments need to be well diversified and the risk appropriate for the investor. Equity investments in listed or unlisted companies yet to achieve a profit or with an equity value less than \$50 million should collectively be a small component of a balanced portfolio, with smaller individual investment sizes than otherwise.

The science of climate change is common knowledge and its impacts may damage the global economy. Mitigating climate change may also disrupt the global economy. Investors need to make their own assessments and we disclaim any liability for the impact of either climate change or mitigating strategies on any investment we recommend.

Investors are responsible for their own investment decisions, unless a contract stipulates otherwise. RaaS Advisory does not stand behind the capital value or performance of any investment. Subject to any terms implied by law and which cannot be excluded, RaaS Advisory shall not be liable for any errors, omissions, defects or misrepresentations in the information (including by reasons of negligence, negligent misstatement or otherwise) or for any loss or damage (whether direct or indirect) suffered by persons who use or rely on the information. If any law prohibits the exclusion of such liability, RaaS Advisory limits its liability to the re-supply of the Information, provided that such limitation is permitted by law and is fair and reasonable. Copyright 2023 RaaS Advisory Pty Ltd (A.B.N. 99 614 783 363). All rights reserved.