



**SOUTHERN CROSS
ELECTRICAL
ENGINEERING LIMITED**

ABN 92 009 307 046

**2011
Share Purchase Plan
Offer**

Important Dates	
Record Date	15 April 2011
Announcement Date	19 April 2011
Documents mailed to Eligible Shareholders	21 April 2011
Offer opens	21 April 2011
Offer closes at 5pm Perth time	23 May 2011
Expected allotment of New Shares	31 May 2011
Expected date for the commencement of trading in New Shares	1 June 2011
Holding statements mailed to Shareholders.	1 June 2011

The timetable is indicative only and Southern Cross Electrical Engineering Limited may, at its discretion, vary any of the above dates by announcing a revised timetable to the ASX.



**SOUTHERN CROSS
ELECTRICAL
ENGINEERING LIMITED**

Letter from the Chairman

18 April 2011

Dear Shareholder

2011 Share Purchase Plan

On behalf of Southern Cross Electrical Engineering Limited (**SCEE**) I am pleased to offer you the opportunity to participate in SCEE's Share Purchase Plan (**SPP**). Participating in the SPP will provide an opportunity for all eligible shareholders to purchase additional shares in SCEE without incurring brokerage or other transaction costs.

SCEE has initiated this SPP to give its shareholders the opportunity to purchase additional shares at the same price as those issued to institutional and other sophisticated investors on 27 April 2011. Funds raised will be used for the same purpose as the proceeds from the April 2011 placement.

Under the SPP, eligible SCEE shareholders have the opportunity to subscribe for up to \$15,000 of additional shares in SCEE (**New Shares**) at \$0.90 per New Share representing a 14.3% discount to the average closing price of ordinary shares in SCEE traded on the Australian Securities Exchange (**ASX**) in the five trading days prior to announcement of the SPP.

The offer pursuant to the SPP (**Offer**) is irrespective of the number of shares a shareholder currently holds.

The Company is seeking to raise a maximum of \$5,000,000 from the SPP and will scale back applications if they exceed \$5,000,000.

Highlights of the Company's current activities are available from the Company's website at **www.scee.com.au**.

This letter and the accompanying application form set out the terms of the offer under the SPP. By accepting the offer to purchase shares under the SPP, including by making a BPay® payment, you agree to be bound by these terms and the constitution of SCEE.

The offer under the SPP is non-renounceable. This means that you cannot transfer your right to purchase New Shares under the Offer to anyone else.

Participation

You are eligible to participate in the SPP if you were a registered holder of fully paid ordinary shares of SCEE on 15 April 2011, with a registered address in either Australia or New Zealand. The SCEE board has determined that because of foreign securities laws, it is not practical for holders of SCEE shares with registered addresses in other jurisdictions to participate in the SPP.

If you are eligible to purchase shares under the SPP, you may select only one of the offers to purchase New Shares in SCEE set out in the application form. The amount that you provide will be for an investment of \$15,000, \$10,000, \$5,000 or \$2,000. Please mark clearly on the application form the option you choose to participate in.

The Offer under the SPP has been structured to comply with the Australian Securities and Investments Commission Class Order 09/425. This means that each shareholder can only apply for a maximum number of 16,666 New Shares for \$15,000, irrespective of the size of your current holding. This applies even if you receive more than one offer from SCEE (for example, because you are a joint holder of shares or because you hold more than one shareholding under separate share accounts).

However, if you act as a trustee or nominee in respect of more than one beneficiary, you may apply for up to \$15,000 of New Shares for each occasion that you are separately recorded as a trustee or nominee for a different named beneficiary.

SCEE reserves the right to reject any application for New Shares to the extent it believes that the application (whether alone or in conjunction with other applications) does not comply with the above requirement.

To the extent that you hold shares on behalf of another person resident outside Australia or New Zealand, it is your responsibility to ensure that any acceptance complies with all applicable foreign laws.

The Offer is being made in accordance with Exception 15 under ASX Listing Rule 7.2 and Exception 8 under ASX Listing Rule 10.12 and therefore shareholder approval to the issue of shares under the SPP is not required. The SPP is also being conducted in accordance with Class Order 09/425 issued by the Australian Securities and Investments Commission so a disclosure document under the *Corporations Act 2001 (Cth)* is not being provided.

Accordingly shareholders must rely on their own knowledge of SCEE and the previous disclosures made by SCEE to the ASX.

The Board recommends that you obtain your own independent financial and taxation advice in relation to the Offer and consider the price movements of the shares in SCEE prior to accepting the Offer.

Allocation and possible scale back

It is proposed that 5,555,555 New Shares will be issued under the SPP to raise approximately \$5,000,000. SCEE has absolute discretion as to the amount raised through the SPP and reserves the right to scale back the number of New Shares allotted to participating shareholders if applications in excess of \$5,000,000 are received.

The Directors of SCEE, have the right to scale back applications, taking into account various factors, including, but not limited to, changes in holding balances between the record date and the closing date of the offer.

The Offer of 5,555,555 New Shares is equivalent to approximately 4.5% of SCEE's ordinary shares on issue at the record date, being 15 April 2011. Shareholder approval is not required to issue New Shares under the SPP.

If there is a scale back, you may receive less than the parcel of New Shares for which you have applied.

If a scale back produces a fractional number when applied to your parcel, the number of New Shares you will be allocated will be rounded up or down to the nearest whole number of New Shares.

In the event of a scale back, the difference between the application monies received, and the number of New Shares allocated to you multiplied by the issue price of New Shares, will be refunded to you by direct credit (to your nominated account as recorded on SCEE's share register) or cheque as soon as possible, without interest.

Pricing

On the trading day immediately prior to the date of this letter, the closing price of ordinary shares in SCEE traded on the ASX was \$1.05.

The issue price for each New Share is \$0.90. This price represents a 14.3% discount to the average closing price of ordinary shares in SCEE traded on ASX in the five trading days prior to announcement of the SPP. The maximum allowable discount under the current regulations is 20%.

You should note that the SCEE share price could rise or fall between the date of this offer and the date when SCEE allots the New Shares to you. This means that the price you pay for every New Share under this offer might be either higher or lower than the SCEE share price at the time of this offer or at the time the New Shares are allotted to you under the SPP.

Participation in the SPP is entirely optional, subject to the eligibility criteria set out above. The offer to acquire New Shares is not a recommendation. You should consult your stockbroker or professional adviser in relation to this offer and your participation under the SPP. SCEE also recommends that you monitor the SCEE share price, which can be found in the financial pages of major Australian newspapers, or on the ASX website at www.asx.com.au (ASX code: SXE).

Issue of New Shares

New Shares will be allotted on or about 31 May 2011. New Shares will be fully paid ordinary shares in SCEE, ranking equally with existing shares in SCEE and will carry the same voting rights, dividend rights and other entitlements at the allotment date.

It is expected that the New Shares allotted to you under the SPP will be quoted on ASX on or about 1 June 2011 and you should receive your holding statement or confirmation advice shortly after that date.

Application

The offer will close at 5pm (Perth time) on 23 May 2011.

If you wish to apply for any New Shares under the SPP, you can either:

- (a) complete the enclosed application form and send it with your payment by cheque made payable to "Southern Cross Electrical Engineering Limited Share Purchase Plan" and drawn in Australian currency for the correct amount, in the enclosed reply-paid envelope (New Zealand holders will need to affix the appropriate postage stamp) so that it is received by no later than 23 May 2011; or
- (b) make a BPay® payment by using the personalised reference number shown on your application form which is required to identify your holding (and which is unique to the SPP). If you make your payment using BPay® you do not need to return your application form. (New Zealand holders will not be able to make a payment using BPay®).

Do not forward cash. Applications and payments under the SPP may not be withdrawn once they have been received by SCEE.

Please read the enclosed application form for further details of how to apply for New Shares under the SPP. Application forms or BPay® payments received after the closing date may not be accepted.

If the exact amount of money is not tendered with your application, SCEE reserves the right to either return your application form and/or payment and not allot any New Shares to you or to allot to you the number of New Shares that would have been allotted had you applied for the highest designated amount that is less than the amount of your payment and refund the excess application money to you. The amount of any refund will be paid to you by direct credit (to your nominated account as recorded on SCEE's share register) or cheque as soon as possible, without interest.

Amendment, withdrawal, suspension, termination, anomalies and disputes

SCEE may amend, withdraw, suspend or terminate the SPP at any time before allotment of the New Shares. If SCEE does this, it will notify ASX.

The omission to give notice of the amendment, withdrawal or termination of the SPP or non-receipt of the notice does invalidate the amendment, withdrawal or termination. SCEE may make determinations in any manner it thinks fit, including in relation to any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the SPP, whether generally or in relation to any participant or application.

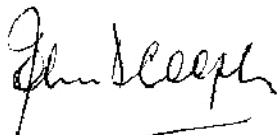
Any determinations by SCEE will be conclusive and binding on all eligible shareholders and other persons to whom the determination relates. SCEE's rights may be exercised by the Board or any delegate of the Board.

Questions

If you have any questions about the SPP, please contact:

Mr Stephen Fewster
Company Secretary
41 Macedonia Street
Naval Base WA 6165
Telephone 9410 1833

Yours sincerely



John Cooper
Chairman
Southern Cross Electrical Engineering Limited

*The New Shares referred to in this letter and the application form have not and will not be registered under the United States Securities Act of 1933, as amended, (**Securities Act**) and may not be offered or sold in the United States or to or for the account or benefit of U.S. persons (as defined in Regulation S under the Securities Act), in the absence of registration or an available exemption from registration. This document has been prepared for publication in Australia and New Zealand only and may not be released elsewhere.*

Key information on SCEE's projects

The additional working capital to be raised from the SPP is intended to be used for growth capital required to strengthen the SCEE's balance sheet for current and future negotiations with:

- (a) blue chip clients on large scale schedule of rates contract opportunities; and
- (b) financiers in relation to project bonding and contract guarantees for upcoming contracts,

and to fund additional general working capital and issue costs.

Further information

The information above is a concise summary of SCEE's projects only. Further details are available from SCEE's website at www.scee.com.au and more detailed financial data and information about SCEE and its projects can be found in SCEE's 2010 annual report.



Southern Cross Electrical
Engineering Limited

ABN 92 009 307 046

For all enquiries:

Phone:



(within Australia) 1300 850 050
(outside Australia) 61 3 9415 4000

Web:



www.investorcentre.com/contact

000001 000 SXE
MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Make your payment:



See over for details of the Offer and
how to make your payment

Share Purchase Plan Application Form

Your payment must be received by 5:00pm (AWST) 23 May 2011

This is an important document that requires your immediate attention.

It can only be used in relation to the securityholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

By making payment you agree to be bound by the Constitution of Southern Cross Electrical Engineering Limited and that the submission of this payment constitutes an irrevocable offer by you to subscribe for Southern Cross Electrical Engineering Limited securities on the terms of the Share Purchase Plan (SPP). In addition, by submitting the slip below you certify that the aggregate of the application price paid by you for:

- the securities the subject of the slip below; and
- any other securities and interests in the class applied for by you under the SPP or any similar arrangement in the 12 months prior to the date of submission of the slip below does not exceed A\$15,000.

Southern Cross Electrical Engineering Limited may make determinations in any manner it thinks fit, in relation to any difficulties which may arise in connection with the SPP whether generally or in relation to any participant or application. Any determinations by Southern Cross Electrical Engineering Limited will be conclusive and binding on all eligible securityholders and other persons to whom the determination relates. Southern Cross Electrical Engineering Limited reserves the right to waive strict compliance with any provision of the terms and conditions of the SPP, to amend or vary those terms and conditions or to suspend or terminate the SPP at any time. Any such amendment, suspension or termination will be binding on all eligible securityholders even where Southern Cross Electrical Engineering Limited does not notify you of that event.

Step 1: Registration Name

Please check the details provided and update your address via www.investorcentre.com if any of the details are incorrect.

Step 2: Make Your Payment

Note that securities may be purchased in increments of \$500 subject to purchase of the minimum value and not exceeding the maximum value. Note that the amount chosen may be subject to scale back in accordance with the terms of the SPP.

Choose one of the payment methods shown below.

BPAY®: See overleaf. Do not return the slip with **BPAY** payment.

By Mail: Complete the reverse side of this payment slip and detach and return with your payment. Make your cheque or bank draft payable in Australian dollars to **"Southern Cross Electrical Engineering Limited Share Purchase Plan"**. The cheque must be drawn from an Australian bank. Cash is not accepted.

Payment will be processed on the day of receipt. Receipts will not be forwarded. Funds cannot be debited directly from your account.

Entering your contact details is not compulsory, but will assist us if we need to contact you.

Turn over for details of the Offer ➔

Southern Cross Electrical Engineering Limited Share Purchase Plan Application Form

Payment must be received by 5:00pm (AWST) 23 May 2011

© Registered to **BPAY** Pty Ltd ABN 69 079 137 518

Share Purchase Plan Application Form

X 1234567890

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STEP 1

Registration Name & Offer Details

Registration Name: MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

 For your security keep your SRN/
HIN confidential.

Entitlement No: 00005856

Offer Details: Record date: **18 April 2011**

Minimum value available to purchase: **\$2,000**

Maximum value available to purchase: **\$15,000**

STEP 2

Make Your Payment



Bill Code: 123456
Ref No: 1234 5678 9012 3456 78

Pay by Mail:



Make your cheque, money order or bank draft payable to **"Southern Cross Electrical Engineering Limited Share Purchase"**.

Return your cheque with the below slip to:
Computershare Investor Services Pty Limited
Locked Bag 2508 Perth Western Australia 6001 Australia

Contact your financial institution to make your payment from your cheque or savings account.

Lodgement of Application

If you are applying for shares and your payment is being made by BPAY®, you do not need to return the slip below. Your payment must be received by no later than 4pm (WST) on 23 May 2011. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. Neither CIS nor Southern Cross Electrical Engineering Limited accepts any responsibility for loss incurred through incorrectly completed BPAY payments. It is the responsibility of the applicant to ensure that funds submitted through BPAY are received by this time.

If you are paying by cheque, bank draft or money order, the slip below must be received by Computershare Investor Services Pty Limited (CIS) Perth by no later than 5pm (WST) on 23 May 2011. You should allow sufficient time for this to occur. A reply paid envelope is enclosed for securityholders in Australia. New Zealand holders will need to affix the appropriate postage. Return the slip below with cheque, bank draft or money order attached.

Privacy Statement

Personal information is collected on this form by Computershare Investor Services Pty Limited (CIS) as registrar for the securities issuers (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to our related bodies corporate, to external service companies such as print or mail service providers, or as otherwise permitted by law. If you would like details of your personal information held by CIS, or you would like to correct information that is inaccurate, incorrect or out of date, please contact CIS. In accordance with the Corporations Act 2001, you may be sent material (including marketing material) approved by the issuer in addition to general corporate communications. You may elect not to receive marketing material by contacting CIS using the details provided above or email privacy@computershare.com.au

Purchase Details (choose one option)

☐ \$2,000 worth of securities OR ☐ \$5,000 worth of securities OR ☐ \$10,000 worth of securities

☐ \$15,000 worth of securities



Entitlement No: 00005856

X
X

Payment must be received by 5:00pm (AWST) 23 May 2011

MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Contact Details

Contact Name _____ Daytime Telephone _____

Cheque Details

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
				A\$