

ASX Release

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Southern Crown Resources Limited

ABN: 52 143 416 531
Level 1, Suite 2
415 Riversdale Road
HAWTHORN EAST VIC 3123
T: (+61) 3 9813 3882
F: (+61) 3 9813 4882
www.southerncrown.com.au

Contact:

Rhod Grivas
Chairman
T: +61 419 919 321
rhod.grivas@southerncrown.com.au

Directors / Officers:

Rhod Grivas
Mark Papendieck
Adrian Hill

Issued Shares and Options:

Shares: 30 million
Unlisted options: 1.5 million

ASX Code: *SWR*

DRILLING COMMENCED AT ROPEWALK

Highlights

- Southern Crown has commenced a 1,800m reverse circulation drilling program on the Mt Jack Line to test for mineralisation along strike from a recently delineated gold deposit.

The Directors of Southern Crown Resources Limited ("**Southern Crown**" or "**the Company**") are pleased to report that reverse circulation ("RC") drilling commenced last week on the Ropewalk project in north east Queensland. A 1,800 metre drilling program is planned to test the along strike extensions to the gold deposit discovered by Australia Gold Mining Pty Ltd ("Aust Gold").

In March 2013, a Chinese owned company Aust Gold announced a new JORC compliant Indicated Resource discovered on Mt Jack ML6781, a small 600m x 300m mining lease excised from the 100% Company owned Ropewalk EPM17643.

The Mt Jack Indicated Resource is divided into two lodes, the Mt Jack North Reef of 261,000t @ 5.61g/t Au for 42,983oz and the Mt Jack South Reef of 1,269,000t @ 3.39g/t for 124,438 oz, using a specific gravity of 2.5 and an upper cut-off of 10g/t Au ₁.

The Mt Jack Line is delineated by a mineralized quartz vein located within a large regional ESE shear zone. The quartz vein can be traced onto the Ropewalk project for 1.8 kilometres and numerous historical workings are evident, this included trenching and shallow mining by Union Mining in the late 1990's.

Southern Crown has commenced RC drilling to test a 720m strike of the mineralized zone with lines nominally spaced 80m and drill holes to a maximum depth of 140m down-hole. This program will give the Company a first pass understanding of the depth and strike extent to the mineralization as there is only documented evidence of 1 drill hole into 720m of strike being tested.

That hole, MJ-6 was drilled south perpendicular to the main lode at a dip angle of 60 degrees to a depth of 33 metres, and returned 9 metres @ 4.66g/t Au, 8.01g/t Ag with a true thickness of approximately 6 metres.

Drilling is expected to take 2 weeks and be completed before the end of the year with results expected early in 2014.

₁:http://download.hexun.com/ftp/all_stockdata_2009/all/062%5C241%5C62241397.PDF

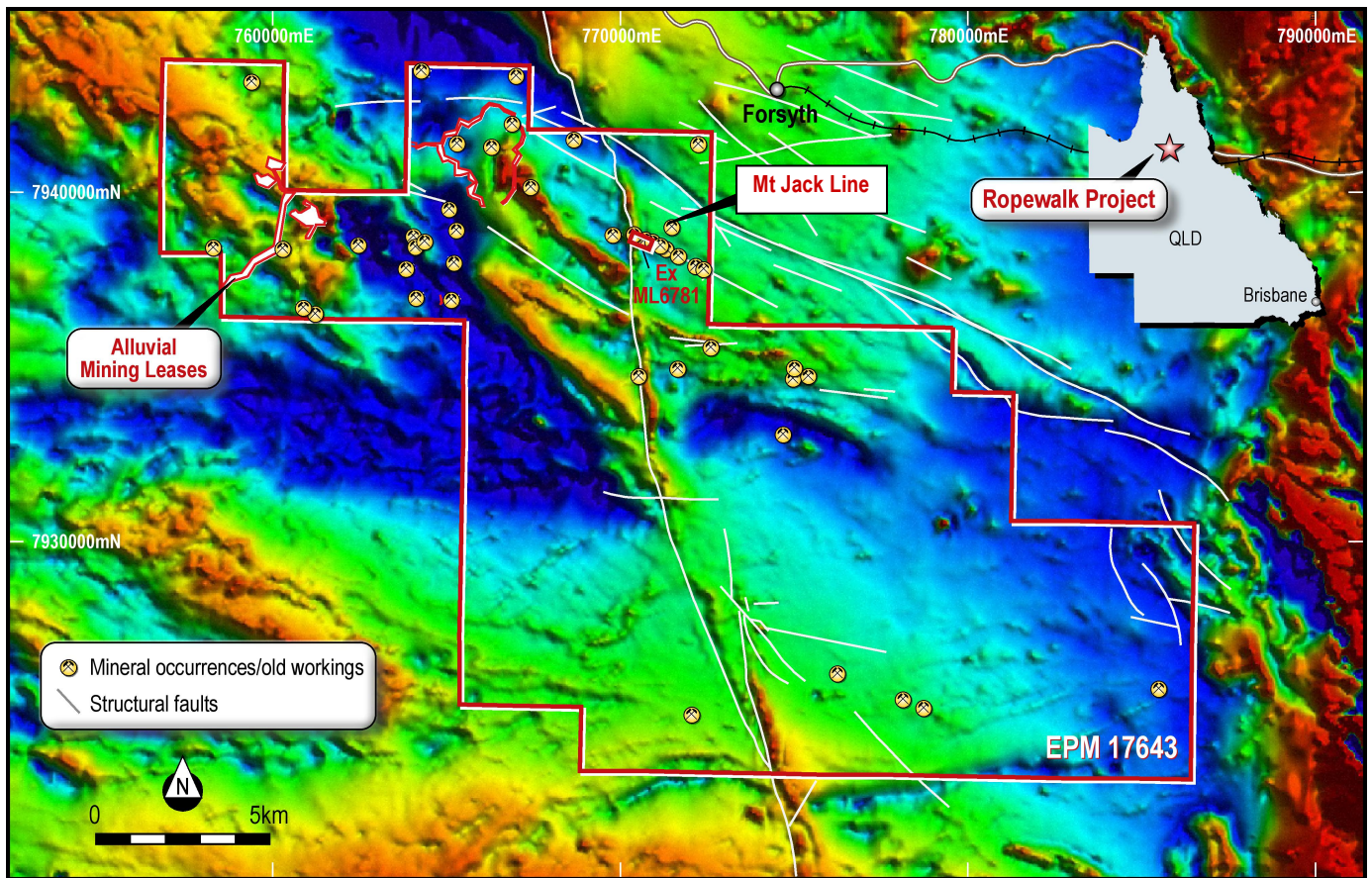


Figure 1: Ropewalk EPM17643 with historical mineral occurrence and the magnetics as background image (GDA94-Zone54)

Southern Crown’s Chairman, Rhod Grivas commented: *“This is a very exciting drilling program. Rarely are there opportunities in Australia where a mineralized zone such as the Mt Jack Line has not been drill tested. The work conducted by Aust Gold in 2012/13 has delineated a small resource over 140m of strike before it passes into our tenement. We now have the opportunity to test a further 720m of strike including a zone where the north lode and south lode intersect, a structurally attractive zone for mineralisation”.*

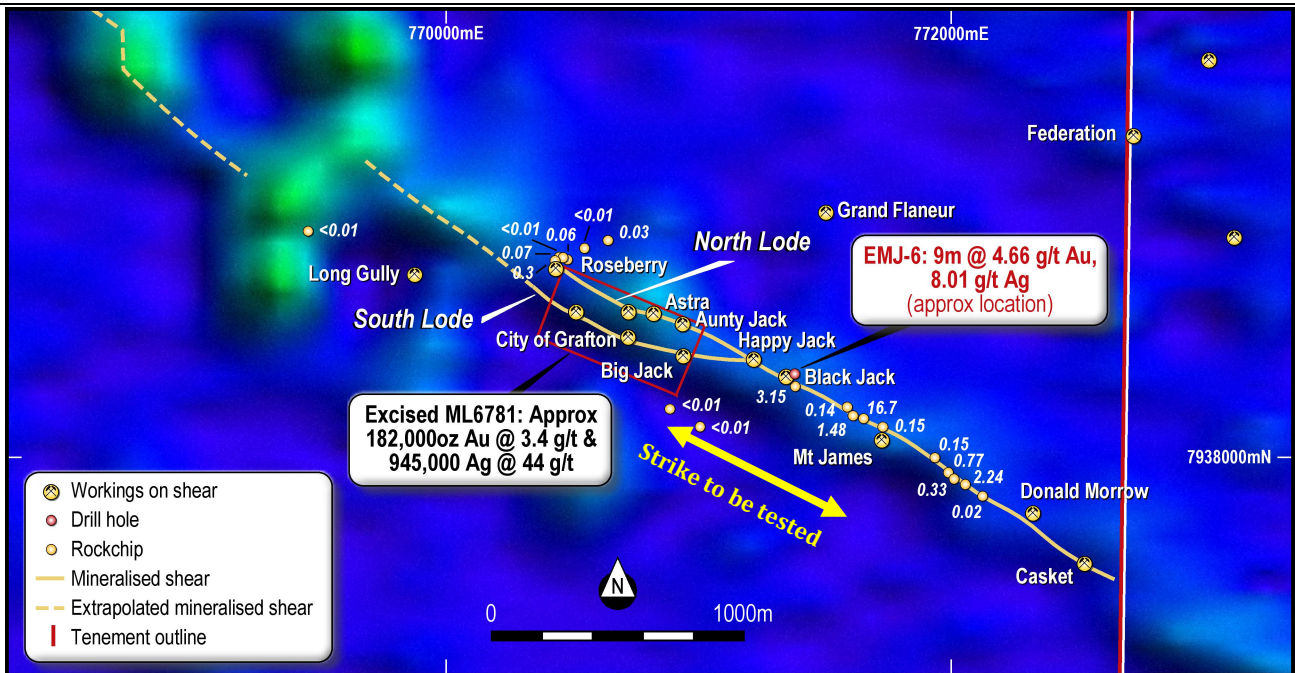


Figure 2: Mt Jack Line of workings with the Geotem as background image (GDA94-Zone54)

For further information please contact:

Rhod Grivas
Chairman

Ph: +61 419 919 321

About Southern Crown Resources Limited

Southern Crown Resources Limited has copper-gold exploration projects located in western NSW and far north Queensland.

The Company continues to evaluate additional mineral projects considered likely to add value to shareholders.

The Board of Directors has a strong mix of technical, financial and corporate skills to successfully explore the Company's existing projects as well as source and develop further acquisition opportunities globally.

Competent Person's Statement

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Rhoderick Grivas, an employee of the Company and a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Grivas has sufficient experience that 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Grivas consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

APPENDIX 1

JORC TABLE 1

Section 1 Sampling Techniques and Data

Criteria	Explanation	Notes
Sampling techniques	- Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. - Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. - Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	- Mineralised zones are being sampled as 1 metre intervals after passing a cyclone and riffle splitter. Non-mineralised zones are being sampled via spearing to create 4 metre composites. - Sample weights vary but are nominally 2-3kg
Drilling techniques	Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	Using 3.1/2" RC drill string coupled to 5" face sample hammer using 5.1/2" Bits.
Drill sample recovery	- Method of recording and assessing core and chip sample recoveries and results assessed. - Measures taken to maximise sample recovery and ensure representative nature of the samples. - Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	Although water is encountered from time to time, wet samples are minimised by utilising extra air. Wet samples are recorded and cyclone and riffle splitter cleanliness is monitored by geologist on-site.
Logging	- Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. - Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. - The total length and percentage of the relevant intersections logged.	All metre samples are geologically logged to a level to support mineral resource estimations. Logging is qualitative in nature, although quantitative assessments are made of quartz and sulphide percentages.
Sub-sampling techniques and sample preparation	- If core, whether cut or sawn and whether quarter, half or all core taken. - If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. - For all sample types, the nature, quality and appropriateness of the sample preparation technique. - Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	- All one metre samples pass through a cyclone and then are riffle split to produce a 12.5% portion for analysis. - Duplicate samples are collected 1:20 by riffle splitting the sample spoil separately to the original sample. - Sub-sampling techniques are standard for gold exploration with use of 5' face

Criteria	Explanation	Notes
	- Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. - Whether sample sizes are appropriate to the grain size of the material being sampled.	sampling hammer, cyclone and riffle splitting. No study has been undertaken on appropriateness of sample size to grain size as this is a first pass program
Quality of assay data and laboratory tests	- The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. - For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. - Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	- Samples will be submitted to ALS Global laboratory in Townsville. - Samples will be weighed, crushed so 70% pass -2mm then oversize samples will be riffle split to 1kg samples and pulverised so 85% pass 75 micron. - Samples analysed by fire assay - Owner In-house QA-QC will be conducted on the laboratory QC samples on Standards and Blanks submitted.
Verification of sampling and assaying	- The verification of significant intersections by either independent or alternative company personnel. - The use of twinned holes. - Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. - Discuss any adjustment to assay data.	Sampling is being conducted by an independent consultant. A site visit made by the author to check drilling and sampling techniques.
Location of data points	- Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. - Specification of the grid system used. - Quality and adequacy of topographic control.	- Collars locations are being recorded using a handheld GPS in GDA94 which gives accuracy of better than 5m, collar locations are being maintained for more detailed surveying if required. Stainless steel rods are being used to allow for down hole survey at nominal 50m intervals. - Accuracy of topographic control appropriate for first pass program, holes will be re-surveyed prior to any resource estimation
Data spacing and distribution	- Data spacing for reporting of Exploration Results. - Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. - Whether sample compositing has been applied.	- No results have been received to date to determine grade continuity. - Drill hole spacing is nominally 80m lines with 40m spaced holes, which is likely to require infill drilling to be sufficient for any resource estimation.
Orientation of data in relation to geological structure	- Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. - If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	Drilling is conducted perpendicular to strike of mineralisation and angled between 55-60 degrees to intersect the expected dip of the mineralised lode as perpendicular as practical.

Criteria	Explanation	Notes
Sample security	The measures taken to ensure sample security.	Samples will be submitted by the Company employed contractor to a freight company in Georgetown or directly to the laboratory to ensure the chain of custody.
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	No audits have been conducted, which is appropriate for the stage,

JORC TABLE 1
Section 2 Reporting of Exploration Results

Criteria	Explanation
Mineral tenement and land tenure status	EPM17643 was granted to Centaurus Metals in October 2012. The permit is currently being transferred to Southern Crown. Southern Crown has a binding acquisition agreement with Centaurus Metals. Southern Crown engages Mineral Tenement Services in QLD to monitor its permits. The Company believes EPM17643 is in 'good standing'
Exploration done by other parties	Southern Crown has reviewed the historical exploration data archived at the QLD department. The area being drill tested has had limited recent exploration. There is one recorded drillhole, evidence of trenching and shallow mining (<20m deep) as well as numerous prospecting pits and shafts as well as rockchipping.
Geology	The mineralisation is located in a major regional shear zone associated with a 'raft' of sediments bound by granitic rocks. Alteration is evident in the form of silification and associated pyrite, sericite, chlorite and epidote.
Drill hole Information	Only one drillhole has been recorded, a 33m deep hole into Black Jack.
Data aggregation methods	No data aggregation methods have been used, except for 4 metre compositing outside the expected mineralised zone.
Relationship between mineralisation widths and intercept lengths	No downhole intercept lengths have been quoted at this stage.
Diagrams	Diagrams provided show area intended to be drilled spatially with reference to coordinates and a scale. This is appropriate for this early stage exploration.
Balanced reporting	All rockchip results reported by the Company to date have been inclusive of results that have shown no anomalism. No drilling results have been reported to date.
Other substantive exploration data	None to report.
Further work	This ASX release is to inform on the commencement of drilling at Ropewalk. Results from this program are expected in 2014.