

30th July, 2009

**QUARTERLY REPORT  
FOR PERIOD ENDED 30 June, 2009**

**HIGHLIGHTS**

- **New Areas acquired –applications have been lodged covering five additional areas (3,337 sq. km.) around the Charley Creek Project, three additional areas around the Chilling Project (1,477 sq. km.), and two at Lake Woods (29.3 sq. km.)**
- **Chilling Project (EL22738, EL23682, EL24557, EL25076, EL25077 and EL25078; ELa27440, ELa27441, ELa27442) –Field exploration has commenced for 2009 on the promising Buchanan EL22738 at the southern end of the Chilling area.**
- **Charley Creek (EL24281, EL 25230 ELa27283, ELa27284, ELa27338, ELa27358, ELa27359)–detailed prospecting of the Cockroach Dam area in the Teapot Granite continued throughout the Quarter, and the ground spectrometer survey of the 42sq. km. anomalous area is around 40% complete. Follow up is under way.**
- **Lake Woods, NT (EL23687, EL24520, EL25631, ELa27317, ELa27318)- Crossland has been successful in securing an NT Government subsidy to evaluate a conceptual nickel- platinoid target.**
- **Pancontinental Funding - As per the terms of the Joint Venture, the Company has been reimbursed circa \$602k from Pancontinental**
- **The Company cash position at 30 June is circa \$4.3 million with some \$430k still due from Pancontinental.**

## OVERVIEW

Crossland has been very active in the June Quarter, with intensive field exploration in Charley Creek throughout the Quarter, while preparations for a busy season in Chilling from July were completed. As the report is prepared, earthmoving plant is clearing the access tracks into the Buchanan exploration licence at the south of the Chilling Project, and an advance crew is already mapping and sampling. The Exploration Director also visited Burkina Faso to review the programme there.

Given the current economic climate, Pancontinental and Crossland have moved to 6 monthly reviews of exploration expenditure. Crossland maintains its primary asset, its capable and experienced team, which means that the exploration it does undertake will be cost effective,. Through its internal funds and the joint venture with Pancontinental, Crossland has access to ample funding to cover focused exploration programs for 2009 and beyond.

Crossland has withdrawn from the Sylvester and Western Creek Projects, and has completed the obligations attendant upon orderly surrender of these. Crossland has been successful in obtaining an NT Government subsidy to complete test drilling at Lake Woods, its sole non- uranium project.

Even with reduced exploration costs in 2009, Crossland will have a very active year based around intensification of exploration on those of its core projects where it continues to receive positive results. Crossland has considerably expanded its holdings around both Charley Creek and Chilling during the reporting period.

## EXPLORATION DETAIL

Chilling Project, NT (EL22738, EL23682, EL24557, EL25076, EL25077 and EL25078: EL(a)27440, EL(a)27441, EL(a)27442)

***At the Chilling Project, Crossland's primary targets are unconformity – related uranium deposits, the deposit style that hosts most of the world's high grade uranium. Other target commodities exist, and other uranium deposit styles are also possible.***

Crossland's initial field exploration programme on EL22738, Buchanan, commenced in June with checking of access routes into this remote area. This area and the surrounding rugged portions of Crossland's other ELs contains roughly half of the uranium anomalies revealed by the 2007 detailed airborne radiometric survey, and includes a uranium prospect called T2, discovered in the early 1970s. These anomalies will be the focus of additional efforts in 2009 now that ground access has been authorised. By the time of writing this report, field operations at Buchanan are in progress, with a crew mapping and sampling in the Soldiers Creek Granite and its surroundings. Access to the area is difficult, and Crossland has joined with other exploration companies operating in the district to rehabilitate around 100km of access track. Crossland will also rehabilitate internal tracks within the exploration licences that access specific target zones. Relevant NT Government permitting has been obtained for the planned activities for 2009.

Geoscience Australia has advised Crossland that the delayed regional airborne Tempest EM survey of the Pine Creek Basin was completed in May. Data from the survey areas commissioned by subscribers to the project, including Crossland, is expected to be delivered in late August 2009. This will help to develop targets for unconformity- related uranium deposits in and below cover rocks.

Crossland has increased its holdings in the project area by lodging three additional exploration licence applications, covering 1,477 square kilometres.

The characterisation of the March Fly mineralisation has been assigned a lower priority than the expansion of our prospecting efforts in the southern parts of the project area. Nonetheless, the modelling of the geological setting and mineralisation is proceeding in-house as our human resources permit, and will be concluded in the September Quarter, which will permit follow-up drilling in 2009 should this be approved by the Joint Venture.

[Charley Creek Project, NT \(EL24281, EL 25230; ELa27283, ELa27284, ELa27338, ELa27358, ELa27359\)](#)

***At the Charley Creek Project, Crossland is targeting granite-related uranium; with calcrete and redox-related palaeodrainage uranium targets; and layered mafic intrusive-related copper, nickel and platinoids as secondary targets.***

Exploration at the Cockroach Dam anomalous zone in the Teapot Granite proceeded throughout the Quarter, with three geoscientists and support crews working on the 42 sq. km. zone. A program of 25m spaced ground spectrometer surveying, using backpack instruments with in-built GPS control proceeded throughout the Quarter. This has proved not only useful in identifying areas of surface uranium anomaly, but also in geological mapping in sometimes visually indistinguishable rock types. This is useful in identifying targets for follow up, areas of cover where further subsurface testing may be warranted, and other otherwise undetectable features. The work is about 40% complete at the time of writing, and it is planned to complete the areas this season. Further detailed studies designed to calibrate radiometric results in this terrain are in progress.

Crossland has capitalized on this expanding understanding of the geological setting of the district with application for five new exploration licences surrounding Charley Creek. These cover an additional 3,337sq. km, supplementing Crossland's existing 704sq. km. holdings.

An application was lodged with the Central Land Council for approval of a widespread aircore drill program through 2009. This covers the plains country throughout the project area, to follow up past results and to test new concepts and areas. A proposal to drill test the Teapot Granite prospects is being developed.

[Kalabity, South Australia \(EL3297\)](#)

***At Kalabity, Crossland's interest is through an agreement with PlatSearch NL and Eaglehawk Geological Prospecting Pty Ltd to earn a majority share in EL3297. Previous work has identified widespread elevated values of uranium and other metals. Recent work by Crossland has identified a new anomalous zone which has been named the Tabita Prospect.***

Work at Tabita has been suspended for 2009 in order to conserve expenditure. It is expected that detailed exploration of Tabita Prospect will proceed in early 2010.

Crossland Creek, West Kimberley, Western Australia (E80/3303, E80/3854)

***At Crossland Creek, Crossland is primarily targeting uranium and associated metals in conceptual settings.***

Crossland is preparing to follow up radiometric anomalies detected in our 2008 survey of E80/3854 in a reconnaissance campaign in the west Kimberley in the September Quarter.

Lake Woods, NT (EL23687, EL24520, EL25631, ELA27317, ELA27318)

***At Lake Woods NT, Crossland has identified outcropping basic intrusive rocks that have unusual properties that may indicate that the area has potential for commodities such as nickel copper and platinoids. This area is not included in the Joint Venture with Pancon.***

A submission to the Northern Territory Government for financial assistance to test Crossland's concepts with up to three diamond drill holes was successful. Drilling will proceed this dry season, as soon as the necessary preparations have been completed. These are in hand. The Government will provide half of the direct cost of drilling, up to a maximum of \$35,000, the amount requested by Crossland. An additional two exploration licence applications were lodged to cover gaps in the titles over the target geology.

#### New Projects

Crossland continues to examine opportunities to expand its project portfolio.

## CROSSCONTINENTAL JOINT VENTURE

Crossland and our joint venture partner, Pancontinental Uranium Corporation, have formed the jointly- owned company, Crosscontinental Uranium Ltd to explore for uranium outside Australia. Crosscontinental has evaluated several potential ventures during the quarter, but has yet to commit to participate in new ventures.

Burkina Faso, West Africa

### 1. Oursi Joint Venture

***Crosscontinental has entered an interest-earning Joint Venture with Southern Cross ExplorationNL and Longreach Oil NL.***

Crosscontinental completed a high resolution airborne spectrometer and magnetometer survey in October 2008 over the Tin Dioulaf No 07-205 and Agalsa No 07-209 tenements located near Oursi in north-eastern Burkina Faso. These tenements cover an area of 500 square kilometres and embrace a major unconformity structure considered to be prospective for uranium deposits. The magnetic data generated by the survey clearly defines the unconformity structure and a number of cross-cutting fault structures. The spectrometer data shows several discrete uranium anomalies in a favourable geological setting that warrant ground follow-up and investigation. One uranium anomaly is approximately 8 to 9 times background.

Ground follow up of most anomalies was completed during the quarter, and the Exploration Director visited the areas in June. Some 207 samples were collected and analyses have recently been received and are being reviewed. The anomalies can be explained as surficial concentrations in limonite that will scavenge uranium. This setting is not considered highly encouraging in the absence of other factors. The assays are being reviewed for evidence of other factors.

## **2. Applications by Crosscontinental Burkina SA and related parties**

The Minister of Mines in Burkina Faso was visited while the Exploration Director was in Ouagadougou. The progress with the additional applications lodged on behalf of Crosscontinental is slow and it is difficult to allocate a priority to work on these at present.

### **Geoff Eupene**

Exploration Director

*The review of exploration activities and results contained in this report are based on information compiled by **Geoffrey S Eupene**, a Fellow of the Australasian Institute of Mining and Metallurgy. He is a director of the Company and a full time employee of Eupene Exploration Enterprises Pty Ltd. He has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration, and to the activity which he is undertaking to qualify as a Competent Person as defined in the December 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Geoffrey S Eupene has consented to the inclusion in this report of the matters based on his information in the form and context in which it appears.*