

29 January, 2009

**QUARTERLY REPORT
FOR PERIOD ENDED 31 DECEMBER, 2008**

HIGHLIGHTS

- **Chilling Project (EL(a)22738, EL23682, EL24557, EL25076, EL25077 and EL25078):**– Results of 275 samples from the 2008 core drilling program are just to hand. A separate release will be prepared on these results.
- **Charley Creek (EL24281, EL 25230):**–.Field work on the **Cockroach Dam granite** related outcropping uranium mineralisation will re-commence next week.
- **Oursi Joint Venture, Burkina Faso:** – A detailed airborne geophysical survey is complete, and this has shown uranium anomalies of eight to nine times background in an unconformity- related setting.
- **Pancontinental Funding:-** As per the terms of the Joint Venture, the Company has been reimbursed \$721,000 from Pancontinental during the Quarter.
- **New Projects:-** Offers being assessed to participate in additional projects. More such offers expected in current market environment.

EXPLORATION DETAIL

Outlook

Through its internal funds and the joint venture with Pancon, Crossland has access to ample funding to cover focused exploration programs for 2009 and beyond.

However, in the wake of the Global Financial Crisis, Crossland will review projects and expenditures, and has either surrendered or will surrender titles that have not responded positively and therefore require no further work. None of our core projects fall into this category.

Expenditure levels are being pruned, largely through consolidation of staff. In addition exploration costs are reducing as boom condition pricing has evaporated.

Even with reduced exploration costs in 2009, Crossland plans a very active year based around intensification of exploration on those of its projects that have shown positive results

Chilling Project, NT (EL22738, EL23682, EL24557, EL25076, EL25077 and EL25078)

At the flagship Chilling Project in the Northern Territory, Crossland's primary targets are unconformity-related uranium deposits, the deposit style that hosts most of the world's high grade uranium.

During the December Quarter, diamond core drilling was focused on the March Fly prospect, also known as Mount Thomas, where known uranium mineralization extends from surface to depths of over 100m, within a radioactivity anomaly that is around 600m long.

Crossland is hopeful that a modest surface resource capable of low-cost open pit extraction can be defined at March Fly, while it refines its more complex unconformity related targets beneath cover rocks.

Seven core holes, totaling 1203.7m were drilled along the anomaly, with six of the holes concentrated near intersections of uranium mineralisation in percussion holes drilled by earlier explorers along a 300m long zone. Some 275 samples of half core were submitted for chemical analysis on 10 December, and results of these samples have just been received at the time of writing this report. The market will be advised of the results in a separate release. The results are also being evaluated in the context of the previous intersections. Diamond drilling data for the Chilling Project in 2008 is summarised in the following table:

CHILLING PROJECT 2008 DRILLING PROGRAMME – SAMPLED INTERVALS

Drill Hole	Coordinates		Direction	Dip	Total Depth (m)	Sampled Intervals (m)	
	Easting	Northing				From	To
CHDD01	687406	8468614	245	50	190.3	14	190
CHDD02	687460	8468547	245	70	199.7	10.4	185
CHDD03	691782	8493168	270	60	194.7	13 36 70 96 150	16 60 76 99 163
CHDD04	691800	8493191	235	60	149.7	61	111
CHDD05	691744	8493195	90	60	161.7	11	61
CHDD06	691724	8493224	86	60	227.5	37 77	44 110
CHDD07	691765	8493016	349	60	164.7	64	143
CHDD08	691618	8492622	98	60	155.7	-	
CHDD09	691882	8493312	280	70	149.7	38	42
Total					1593.9		

Of this some 910.7m was completed in the December Quarter.

Ground follow up of radiometric anomalies detected in Crossland's 2007 airborne survey continued during the quarter in the northern exploration licences, EL 2077 and EL2078, at Chilling. Two of the more accessible anomalies were tested with lines of aircore holes towards the end of the season.

Delays have been encountered in the regional airborne EM survey which Crossland is partly funding, that is being managed by Geoscience Australia. The survey is now expected to be completed in 2009.

All agreements necessary for the grant of EL22738, covering 540km² at Chilling, which has been under application since 2000, have been concluded, and granted title has been issued in January 2009. Documents have been lodged to transfer the title from the Applicants, Buchanan Exploration Pty Ltd, to Crossland, as envisaged in an agreement dated 24 March, 2006. This title 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.

Charley Creek Project, NT (EL24281, EL 25230)

At the Charley Creek Project, also in the Northern Territory, Crossland is targeting granite-related uranium, as well as calcrete and redox-related palaeo drainage uranium deposits, with layered mafic intrusive-related copper, nickel and platinoids as secondary targets.

Considerable rain has fallen on the region since November, and this has delayed a continuation of ground follow up of the extensive areas of high uranium radioactivity in the Cockroach Dam prospect. Several square kilometers remain to be covered with detailed ground radiometrics, and it is anticipated that this will now re-commence in early

February. Assessment of the results of the aircore drill program that targeted palaeo drainage channels beneath the flats at Charley Creek in early 2008 has also recommenced, following the conclusion of the field season at Chilling.

Other work at Charley Creek concentrated on obtaining clearances for an escalation of activity at the Cockroach Dam prospect so that drilling can commence. This process is advancing.

Kalability, South Australia (EL3297)

At the Kalability prospect in South Australia, 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.

The applications required to permit commencement of a program of air core drilling and trenching at the Tabita Prospect in March 2009 were lodged in December.

Crossland Creek, West Kimberley, Western Australia (E80/3143; E80/3303)

At Crossland Creek in Western Australia, Crossland has been targeting diamonds, and copper and associated metals related to a discrete magnetic anomaly.

An early onset of the wet season in the West Kimberley prevented ground access to follow up targets from airborne surveys. It was decided to postpone this until early in the northern dry season for reasons of cost efficiency. In the meantime, permitting matters to allow drilling to proceed at Crossland Creek during 2009 are being addressed.

Lake Woods, NT (EL23687, EL24520, EL25631)

At Lake Woods, NT, previous exploration, as well as that by Crossland, has identified an anomalous cluster of rare micro- diamonds that are considered to indicate a local source. The area has potential for other commodities. This area is not included in the Joint Venture with Pancon.

A senior consultant geologist mapped the stratigraphy in the Ashburton Ranges and attempted to link this to the results of the airborne EM survey completed in 2007. This was then supplemented with some 1171m of confirmatory aircore drilling. The drilling encountered some unusual intrusive lithologies which subject to assay results may require more investigation.

Western Creek, NT (EL 23684; ELA25605 and ELA25607)

At Western Creek, NT Crossland has identified diamond targets. This area is not included in the Joint Venture with Pancon.

Further ground magnetic surveys and 58 aircore drill holes for 1596m of drilling were completed at Western Creek, with several holes drilled to obtain samples of alluvium from a site that had previously returned four chromites of kimberlitic composition. No further chromites were found. The future of the project is being reviewed.

Mount Darling, South Australia (EL3228)

At Mount Darling (EL3228), near the NT border in northern South Australia, Crossland is targeting copper/ nickel mineralisation. This area is not included in the Joint Venture with Pancon.

The title to this project has been surrendered in the absence of a positive response to exploration.

New Projects

Crossland has received several offers to participate in additional projects, and some are being evaluated. It is expected that additional opportunities will be received in the present market.

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 additional ventures during the quarter, but has yet to commit to participate in new ventures, other than the Oursi project in Burkina Faso. The number and quality of opportunities on offer to Crosscontinental appears to be increasing.

Burkina Faso, West Africa

1. Oursi Joint Venture

Crosscontinental has entered an interest-earning Joint Venture with Southern Cross Exploration NL 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 the town of 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. While much of Burkina Faso is covered by existing regional airborne geophysical data, there is no such data available in this part of the country.

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 will commence as soon as field access can be arranged.

2. Applications by Crosscontinental Burkina SA and related parties

There are no further developments to report. These are being progressed with the BF authorities

Geoff Eupene
Exploration Director

*The review of exploration activities and results contained in this report are based on information compiled by **Geoffrey S Eupene CP**, 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.*