



30 July, 2012

QUARTERLY REPORT FOR PERIOD ENDED 30 JUNE, 2012

HIGHLIGHTS

- Crossland advised the market on 15 May 2012 the following Mineral Resources at its Charley Creek Alluvial REE project
 - **Indicated Resource - 387 million tonnes containing 114,000T TREO**
 - **Inferred Resource - 418 million tonnes containing 121,000T TREO**
- The areas within which these Resources have been estimated represent less than 5% of the total area of potentially mineralised alluvial outwash within Crossland's tenements.
- Recent results from an initial wet plant gravity flowsheet testwork program confirm the Charley Creek rare earth project is amenable to beneficiation via wet gravity spiral plant. Grade and recoveries from the wet gravity spiral pilot plant were excellent. A recovery of 76% TREO (Total Rare Earth Oxide) at a grade of 6.24% TREO contained within 2.4 wt% of the initial feed was achieved.
- A major international REE producer has visited the Charley Creek project for the second time to review progress, and has requested a sample of Charley Creek REE concentrates for testwork in its laboratories to determine process compatibility. A non-disclosure agreement has been signed with this company.
- The market was advised of a comprehensive program to rapidly Enhance, Expand, and De-risk the Charley Creek Project to begin assessment of the economic viability of a large scale Rare Earth Oxide (REO) mining and processing operation.
- An exploratory 88 hole aircore drilling program has been completed at Charley Creek to investigate potential for alluvium with high heavy rare earth content.
- The market was advised that Pancontinental has recommenced contributions and have paid arrears from 1 January 2012 and maintain their equity position at 45%.

CROSSLAND URANIUM MINES LIMITED

ABN 64 087 595 980

PHONE: (08) 89815911 **FACSIMILE:** (08) 89411364 **EMAIL:** geupene@crosslanduranium.com.au
ADDRESS: Unit 8, Raffles Plaza, 1 Buffalo Court, Darwin 0800, NT; GPO Box 2437, Darwin, 0801, NT.

Charley Creek Project, NT - EL24281, EL 25230; EL25657, EL27283, EL27284, EL27338, EL27358, EL27359, EL28154, EL28155, EL28224, EL28225, EL28226, EL28434, ELa28500, ELa28795, ELa28796, ELa28866, ELa28875: Crossland 55%; Pancon 45%

At the Charley Creek Project, Crossland is targeting alluvial rare earth deposits; secondary targets include bedrock REE deposits, granite-related uranium; calcrete and redox-related palaeodrainage uranium targets; and layered mafic intrusive-related copper, nickel and platinoids.

Resource Estimate

As reported to the market on 15 May, there is now a JORC-compliant estimate of Indicated and Inferred Resources, completed for two areas within the extensive alluvial Rare Earth deposits at the Charley Creek Project.

The Western Dam and Cattle Creek areas within which these Resources have been estimated represent less than 5% of the total area of potentially mineralised alluvial outwash within Crossland's tenements. An REE mining project based on the alluvium at Charley Creek could have great longevity with the potential for decades of REO production. The completion of this initial Resource Estimate was a major milestone for Crossland. A work program towards a Scoping Study Assessment has been agreed by the Crossland/Pancontinental joint venture and is in progress.

RESOURCE	Mass	Average Grade TREO	Contained TREO	Contained XENOTIME*	Contained MONAZITE*	Contained ZIRCON
	Tonnes	PPM	Kg	Tonnes	Tonnes	Tonnes
Cattle Creek Indicated Resource	249,900,000	280	69,900,000	17,600	97,200	124,650
Western Dam Indicated Resource	136,960,000	322	44,150,000	9,675	63,700	70,930
TOTAL INDICATED RESOURCES	386,860,000	295	114,050,000	27,275	160,900	195,580
Cattle Creek Inferred Resource	353,210,000	291	102,750,000	26,450	141,075	183,750
Western Dam Inferred Resource	65,232,000	281	18,350,000	4,240	26,160	36,230
TOTAL INFERRERD RESOURCES	418,442,000	289	121,100,000	30,690	167,235	219,980

Table 1 - Summary of Indicated and Inferred Resource estimates at Cattle Creek and Western Dam areas. Note that recovery factors should be applied to these estimates and these are currently being quantified. A basket price of US\$47.46/kg has been calculated for average REO contents at the prospects.

* Xenotime and Monazite contents are derived from chemical assays of samples, weighted according to the average content in Xenotime and Monazite determined from mineral liberation analysis (MLA) and assays of regional heavy mineral concentrates from across the Charley Creek Project.

CROSSLAND URANIUM MINES LIMITED
ABN 64 087 595 980

PHONE: (08) 89815911 **FACSIMILE:** (08) 89411364 **EMAIL:** geupene@crosslanduranium.com.au
ADDRESS: Unit 8, Raffles Plaza, 1 Buffalo Court, Darwin 0800, NT; GPO Box 2437, Darwin, 0801, NT.

Owing to the relatively high Xenotime content, the proportion of heavy rare earths in the alluvium is high. Approximately seventeen percent (17%) of the total rare earth oxides (TREO) are heavy rare earth oxides (HREO). This ranks high in comparison to most other advanced REE projects. The HREO are more valuable because they are in critically short supply.

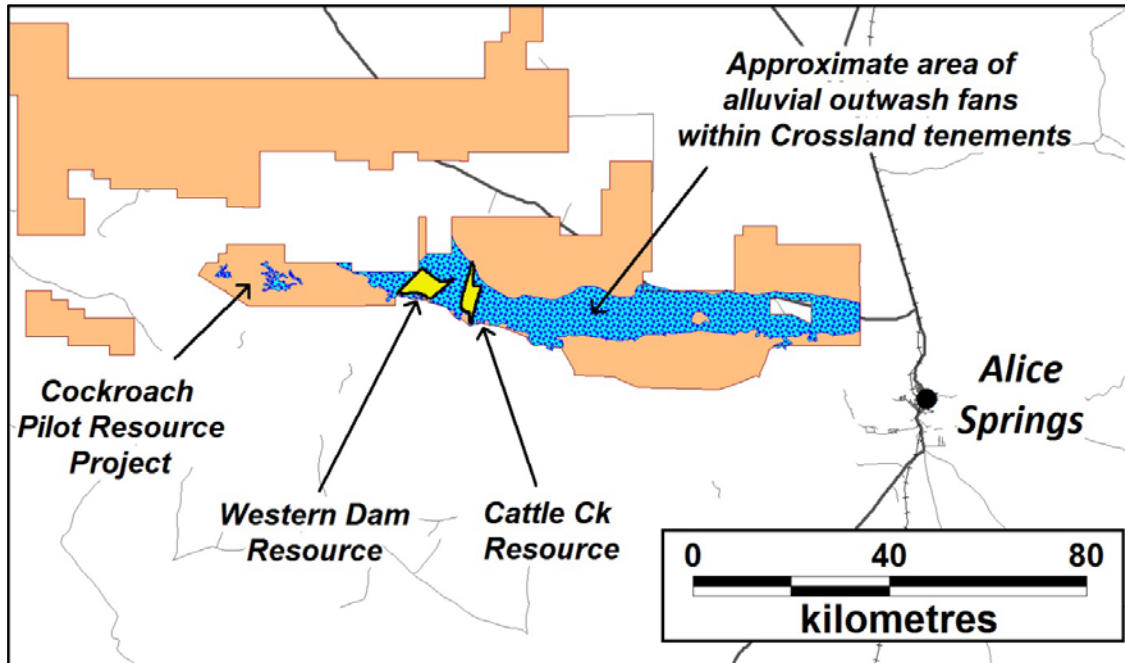


Figure 1 - Shows the locations of the Western Dam and Cattle Creek resource areas (yellow). The larger blue area is the known extent of alluvial outwash within Crossland's tenements that is likely to carry REE mineralisation. Clearly, with additional drill definition, the resources could be extended to many multiples of those reported here.

The resource is hosted in loosely consolidated alluvial material and testwork indicates that it can be relatively easily upgraded to a high grade heavy mineral TREO concentrate and a saleable zircon mineral sand by-product by using familiar and low-cost heavy mineral sand (HMS) processing techniques.

Process flowsheet testwork

An initial wet plant gravity flowsheet program has been completed on a bulk composite sample of alluvium from Cockroach Dam prospect at Charley Creek. Results confirm the Charley Creek rare earth project is amenable to beneficiation via wet gravity spiral plant. Grade and recoveries from the wet gravity spiral pilot plant were excellent.

The pilot program was conducted at Allied Mineral Laboratories Pty Ltd (AML) in Perth WA under the supervision of Crossland's metallurgical consultant.

The 'Wet Plant' includes initial pre-treatment of run-of-mine (ROM) ore by screening +2mm oversize and then desliming at 38 µm prior to spiral gravity plant. Assays for +2mm and slimes are pending and an update will be provided during the next quarter.

CROSSLAND URANIUM MINES LIMITED

ABN 64 087 595 980

PHONE: (08) 89815911 FACSIMILE: (08) 89411364 EMAIL: geupene@crosslanduranium.com.au
ADDRESS: Unit 8, Raffles Plaza, 1 Buffalo Court, Darwin 0800, NT; GPO Box 2437, Darwin, 0801, NT.

Results received for gravity spiral plant showed 97.6 wt% of the spiral feed was rejected to tails while 76% TREO (Total Rare Earth Oxide) was retained in a final gravity concentrate representing 2.40 wt% of the initial spiral feed mass. This resulted in the head grade increasing from 0.19 wt% TREO in the spiral feed to 6.24 wt% TREO in the final gravity concentrate. A number of opportunities have been identified to improve both grade and recovery, particularly of Heavy REO and zircon. This wet plant concentrate is now undergoing conventional electrostatic and magnetic separation (Dry Plant) to produce a final concentrate product expected to contain approximately 50% TREO.

Product	Mass %	Grade (wt. %)				
		LREO	MREO	HREO	TREO	ZrO ₂
Spiral Feed	100	0.162	0.009	0.023	0.194	0.078
Tailings Reject	97.6	0.036	0.002	0.008	0.047	0.052
Final Wet Plant Concentrate	2.40	5.308	0.308	0.628	6.244	1.170
		Recovery (%)				
Recovery TREO to Final Concentrate		78	76	65	76	36

Note: MREO consists of Samarium, Europium and Gadolinium, while HREO consists of Terbium through to Lutetium from the Lanthanide series, plus Yttrium.

The proposed Wet and Dry plants for the Charley Creek project would utilise identical technology used by the mineral sand industry for recovery of titanium minerals and zircon. The Charley Creek process flowsheet represents a low risk and low capital option to enter early production. The Wet Plant concentrate can be readily transported to a Dry Plant, where the final concentrate containing approximately 50% TREO can then be produced for sale or refining to value added products.

Dry Plant test work will be completed by end of July and an update will be provided once results are received.

Drilling

On 5th April, Crossland reported on the results of regional stream sediment results showing widespread indications of xenotime, the preferred feedstock source for the critical and valuable Heavy Rare Earth Elements (HREE), at Charley Creek. These results highlighted new target areas for both alluvial and hard rock mineralisation with potential for HREO/TREO ratios that are higher than the already good ratios determined in drill sampled areas at Cockroach and Cattle Creek.

An exploratory 88 hole aircore drilling program has now been completed in these areas to follow up these stream sediment results and investigate potential for alluvium with high heavy rare earth content. Assay results from this drilling should be available during the September quarter.

CROSSLAND URANIUM MINES LIMITED

ABN 64 087 595 980

PHONE: (08) 89815911 FACSIMILE: (08) 89411364 EMAIL: geupene@crosslanduranium.com.au
 ADDRESS: Unit 8, Raffles Plaza, 1 Buffalo Court, Darwin 0800, NT; GPO Box 2437, Darwin, 0801, NT.

Bulk sampling

Bulk sampling of REE bearing alluvium has commenced to provide concentrate samples for other parties to conduct testwork to determine process compatibility, and provide further sample for Crossland's ongoing scoping study testwork.

Chilling Project, NT - (EL22738, EL24557, EL25076, EL25077, EL25078 and 28433. Crossland 55%: Pancon 45%)

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, such as base metals, gold, tin, and cobalt. Other uranium deposit styles are also possible.

The Crossland/Pancontinental joint venture has decided to seek a third partner to fund ongoing work on this extensive tenement package. A data "room" has been assembled and discussions have been initiated with interested parties.

Other Projects

There has been no significant work or results on other projects during the quarter.

Pancontinental resumes funding

During this quarter, the Boards of Crossland (CUX) and Pancontinental (PUC) met and discussed the operation of the Joint Venture. PUC have enlisted a Canadian REE consultant to advise them, and he has visited the Charley Creek project once during the quarter and once in July. PUC have elected to contribute from 1 January 2012 rather than further dilute from their present 45% position, and have made a payment to CUX to cement this position. In the future PUC will continue to contribute 45% to the costs of JV projects.



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 styles 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 this information in the form and context in which it appears.*

CROSSLAND URANIUM MINES LIMITED
ABN 64 087 595 980

PHONE: (08) 89815911 **FACSIMILE:** (08) 89411364 **EMAIL:** geupene@crosslanduranium.com.au
ADDRESS: Unit 8, Raffles Plaza, 1 Buffalo Court, Darwin 0800, NT; GPO Box 2437, Darwin, 0801, NT.